

STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES him

IN THE MATTER OF: [REDACTED]

Claimant

Reg. No: 2009-20786

Issue No: 2006

Case No: [REDACTED]

Load No: [REDACTED]

Hearing Date:

August 26, 2009

Ingham County DHS

ADMINISTRATIVE LAW JUDGE: Susan Payne Woodrow

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 26, 2009. Present were: [REDACTED] and Vivian Lewis Baxter, Family Independence Manager. Both witnesses were sworn.

ISSUE

Whether the Department properly denied the 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. On April 11, 2008, [REDACTED] Medical Assistance was to be reviewed.
2. A verification checklist and application were mailed to [REDACTED] on April 11, 2008 by the Eligibility Specialist, Ms. Wizorek.

3. The application and other documentation was received by the Department on April 23, 2008, the day before the due date.
4. Ms. Wizorek wished to have further explanation of the reverse mortgage despite receiving a copy of it; because she believed that [REDACTED] was receiving monthly payments.
5. On June 2, 2008, the Eligibility Specialist sent a denial to [REDACTED] based upon her failure to supply verification of the income from the reverse mortgage.
6. [REDACTED] explained that her Social Security and retirement benefits are directly deposited into her checking account, and therefore, she has no check which she could provide to prove the amounts.
7. On June 5, 2008, [REDACTED] spoke with Ms. Wizorek indicating that she did not get a monthly sum from her reverse mortgage, and therefore, could not report any income. [REDACTED] explained that the mortgage is a draw where she can borrow money whenever necessary to pay taxes and the like. Ms. Wizorek ended that conversation and directed [REDACTED] to call her the next week.
8. Contrary to Department policy, the eligibility specialist failed to put her verification request in writing to claimant.
9. On June 9, 2008, [REDACTED] called Ms. Wizorek and requested an appointment to discuss the issue. [REDACTED] never received a return call.

10. Despite receipt of the phone calls, Ms. Wizorek closed the case on June 14, 2008.

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.*

In this matter, the policy was not fully explained to the claimant and PAM 130 was not observed regarding assistance. Claimant needed special assistance because she just did not understand what she needed to supply. However, she was being asked to supply information that did not exist in the form demanded. The claimant supplied whatever she could to substantiate her income. The eligibility specialist,

misunderstanding the way claimant's reverse mortgage worked, contributed to the difficulty. The specialist should have pursued other avenues to satisfy her queries about the income and assisted claimant in her quest for substantiation. Further, the specialist is required to put requests for verification in writing to claimants. Claimant provided the only substantiation she had available, her bank account statements.

The Department did not properly process claimant's claim and should not have closed it.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that the closure dated June 2, 2008 is improper.

The Department is directed to reinstate the application and process the application properly from the effective date of the initial application.

/s/

Susan Payne Woodrow
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.

SPW/law

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