

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: 2009-848
Issue No: 2006
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
February 10, 2009
Genesee County DHS

ADMINISTRATIVE LAW JUDGE: Marlene B. Magyar

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, an in-person hearing was held on February 10, 2009. Claimant did not appear; however, she was assisted by [REDACTED], a patient advocate from [REDACTED]

ISSUE

Did the department properly deny claimant's November 14, 2007 Medicaid (MA) application?

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 November 14, 2007, claimant's properly authorized representative filed an MA application on claimant's behalf.

(2) On [REDACTED], the local office mailed a [REDACTED] [REDACTED] to claimant requesting a Social Security card for her new baby (Department Exhibit #1, pg 1).

(3) Claimant's authorized representative never received a copy of this checklist, which allowed a [REDACTED] deadline for cooperation in returning the requested document (Department Exhibit #1, pg 1).

(4) Before this deadline expired, specifically, the day after the local office mailed the checklist to claimant, they sent out a notice to her denying the application ([REDACTED]) (Department Exhibit #1, pg 3).

(5) Again, claimant's authorized representative never received a copy of this notice.

(6) Claimant's authorized representative subsequently filed a hearing request, and the hearing was held on [REDACTED].

(7) The caseworker who processed claimant's disputed MA application did not appear at the hearing, and the only departmental witness there had no personal knowledge of, or involvement in this case during the relevant period.

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 applicable departmental policy states:

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.

LOCAL OFFICE RESPONSIBILITIES

All Programs

Ensure client rights described in this item are honored and that client responsibilities are explained in understandable terms. Clients are to be treated with dignity and respect by all DHS employees. PAM, Item 105, p. 8.

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.

The credible testimony and relevant documentation of record stands uncontroverted.

Claimant’s authorized representative was never provided with the application processing checklist, only claimant was. As such, at the threshold level, the department’s application denial was erroneous.

Furthermore, even if claimant’s authorized representative had received the checklist, the department’s denial is fatally flawed. The above-referenced policy explicitly requires applicants and/or their representatives be given ten days to submit requested verifications.

In this case, the department’s own exhibit shows claimant was sent notice of her MA application on [REDACTED], the very day after the department sent her the checklist on [REDACTED], in complete disregard of the stated deadline on the checklist, which says the

missing verification was not even due until [REDACTED]. Consequently, in addition to failure to notify claimant's authorized representative in writing of what/when was due, the department erred in failing to allow ten days for its submission. As such, the denial of claimant's disputed application was erroneous and it simply cannot be upheld.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the department erred in denying claimant's [REDACTED] MA application.

Accordingly the department's action is REVERSED, and this case is returned to the local office for application reinstatement and processing in accordance with the department's policy.

SO ORDERED.

/s/ _____
Marlene B. Magyar
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: [REDACTED] _____

Date Mailed: [REDACTED] _____

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.

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MBM/db

cc:

