

STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

██████████, Claimant

Reg. No: 2009-225  
Issue No: 2006  
Case No: ██████████  
Load No: ██████████  
Hearing Date: July 8, 2009  
Allegan 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 conducted from Flint, Michigan on July 8, 2009. The claimant, ██████████, appeared. Linda Van Ess, Family Independence Manager, appeared on behalf of the department. Both testified under oath.

ISSUE

Whether the department properly denied the claimant's Medical Assistance application.

FINDINGS OF FACT

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

1. On July 22, 2008, ██████████ applied for Medicaid. Exhibit 1, pp. 2-19.

2. On July 23, 2008, claimant was mailed a verification check list requesting information regarding identity, income and assets. Exhibit 1 p 20.
3. Information was due August 6, 2008. All items were returned except information regarding his group term life insurance.
4. A second Verification Check List was sent on August 6, 2008. Exhibit 1, p 21.
5. On August 18, 2008, [REDACTED] returned information he had regarding the group term life insurance maintained through his company. Exhibit 1, p 22.
6. On August 20, 2008, [REDACTED] was sent a third request for information regarding his group term life insurance, particularly the cash surrender value in the type of insurance. Exhibit 1, p 23.
7. On several occasions, [REDACTED] worker agreed that he could have extra time because he was having difficulty obtaining the information she wished. [REDACTED] is on a pension from his employer and the insurance is maintained for him under a waiver of premium and is group term life insurance.
8. [REDACTED] is a paraplegic and needs additional assistance to submit information and needed additional time to work with the insurance company. After the denial, he received information from the company.
9. Information was due on September 2, 2008, without any extension. On September 5, 2008, [REDACTED] request was denied for failure to provide all requested information. Exhibit 1, p 25.

10. Primarily, [REDACTED] wished to have help with his premiums for health insurance and Medicare.
11. [REDACTED] was also denied other benefits because his caretaker's income was incorrectly added to his.
12. Claimant's difficulty in obtaining the term insurance was caused by the insurance company, not because he did not diligently seek the requested information.
13. Linda Van Ess agreed to reopen the claim to receive the information regarding the term insurance provided by claimant's former employer and to recalculate his income without the caretaker's income.

#### CONCLUSIONS OF LAW

The Medical Assistance ("MA") program is established by Subchapter XIX of Chapter 7 of The Public Health & Welfare Act, 42 USC 1397, and is administered by the Department of Human Services ("DHS"), formally known as the Family Independence Agency, 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 to include the completion of the necessary forms. PAM 105, p. 5 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 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 for MA purposes, despite a reasonable effort, the time limit should be extended up to three times. *Id.* Verifications are considered

timely if received by the due date. *Id.* An authorized representative is a person who applies for assistance on behalf of the client and/or otherwise acts on his behalf.

PAM 110, p. 7

In the record presented, the Department did not receive one document regarding the insurance for the claimant to pursue his entitlement and denied him. Because he is a paraplegic, he needed additional assistance, and requested additional time; but, the department did not act in accordance with the departmental policy when they denied the Claimant's MA application for failure to cooperate.

Under Program Administrative Manual Item 600, clients have the right to contest any agency decision affecting eligibility or benefit levels whenever they believe the decision is illegal. The department provides an Administrative Hearing to review the decision and determine if it is appropriate. Agency policy includes procedures to meet the minimal requirements for a fair hearing. Efforts to clarify and resolve the client's concerns start when the agency receives a hearing request and continues through the day of the hearing.

In the present case, claimant is contesting the denial of his/her application for MA and SDA (The department failure to process claimant's application for MA and SDA). At the hearing the department agreed to reinstate and reprocess claimant's application, receive the insurance documents he has, and recalculate his income without the caretaker's. As a result of this agreement, claimant indicated he no longer wished to proceed with the hearing. Since the claimant and the department have come to an agreement it is unnecessary for this Administrative Law Judge to make a decision regarding the facts and issues in this case.

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 the claimant's MA application for failure to cooperate is REVERSED. However, the parties reached a settlement.

Accordingly, it is Ordered:

1. The department's denial of the MA application is REVERSED.
2. The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department and claimant have come to a settlement regarding claimant's request for a hearing. Therefore it is ORDERED that the department process claimant's application for MA and SDA in accordance with this settlement agreement.
3. The department shall assist the claimant to complete and to process the claimant's application in accordance with departmental policy.

/s/  
\_\_\_\_\_  
Susan Payne Woodrow  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: July 16, 2009

Date Mailed: July 21, 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

cc:

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