

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: 2009-23668

Issue No: 2006, 4003

Case No: [REDACTED]

Load No: [REDACTED]

Hearing Date:

October 27, 2009

Muskegon County DHS

ADMINISTRATIVE LAW JUDGE: Colleen Lack

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 October 27, 2009. Claimant was present and testified. [REDACTED]

[REDACTED] also appeared and testified on claimant's behalf.

Brenda Hodson, FIM, appeared on behalf of the department.

ISSUE

Did the Department of Human Services (department) properly deny claimant's State Disability Assistance (SDA) and Medical Assistance (MA) application for failure to provide 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) Claimant applied for SDA and MA on January 29, 2009.

(2) On March 3, 2009, the Medical Review Team (MRT) issued a deferral requesting additional medical evidence. (Department Exhibit 1, pgs. 9-10)

(3) On March 10, 2009, the department issued a Verification Checklist requesting claimant sign and return a Release of Information form and records from Community Mental Health (CMH) with a due date of March 20, 2009. (Department Exhibit 1, pg. 1)

(4) Claimant took the Verification Checklist and the Release of Information with him to CMH where [REDACTED] assisted him with signing and returning the Release of Information so that the department could request the CMH records.

(5) On April 1, 2009, the department denied the SDA and MA application because the medical information was not returned by the March 20, 2009 due date.

(6) Claimant filed a hearing request to contest the SDA and MA denials on April 9, 2009.

(7) The department has since received the additional medical information.

#### 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).

Under PAM 105, clients must cooperate with the local office in determining initial and ongoing eligibility. The department is to request verification when required by policy, when required by local office option, or when information regarding an eligibility factor is unclear, inconsistent, incomplete or contradictory. PAM 130. The department is to allow at least 10 days to provide the verification requested. PAM 105. For the MA program, a negative action notice is to be sent when the client indicates refusal to provide a verification or the time period given has elapsed. PAM 130. For the SDA program, a negative action notice is to be sent 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 130. The department must also help clients who need and request assistance in obtaining verifications, and may extend the time limit, if necessary. PAM 130.

In the present case, the MRT issued a deferral on March 3, 2009 because additional medical evidence was necessary to make a disability determination for the SDA and MA programs. (Department Exhibit 1, pgs. 9-10) On March 10, 2009, the department issued a Verification Checklist requesting claimant sign and return a Release of Information form and records from Community Mental Health (CMH) with a due date of March 20, 2009. (Department Exhibit 1, pg. 1) Given [REDACTED] testimony that the intake report from [REDACTED] referenced on the Verification Checklist is also a CMH record and not a separate treatment provider, the department was only requesting CMH records. It is also noted that when the department issued the March 10, 2009 Verification Checklist, the department already had a Release of Information form signed by the claimant on February 12, 2009. (Department Exhibit

1, pgs. 7-8) Accordingly, the department could have sent a request for the records to CMH to obtain these treatment records without issuing the March 10, 2009 Verification Checklist.

Claimant received the March 10, 2009 Verification Checklist with the Release of Information form and brought these documents with him when he saw [REDACTED]. [REDACTED] testified that he did not view the Verification Checklist as a request for claimant to obtain the records and submit them to the department himself based on past experiences with the department. [REDACTED] provided credible testimony regarding the usual procedure when medical records for a CMH client are needed by the department. [REDACTED] testified that typically the department sends a Release of Information form to the claimant to sign and return. When the department receives the signed form, [REDACTED] testified it is sent to CMH with a records request. CMH then provides the records to the department. Therefore, [REDACTED] testified he assisted claimant with signing and returning the Release of Information to the department, and did not gather the records for submission to the department at that time as he expected it would be returned to CMH with a records request. At some point the department must have sent a request for the needed records to CMH because the department testified that the records were received after the application was denied.

While the Verification Checklist does indicate, in part for claimant to obtain the reports, it also requested the release of information from claimant. If the department was only going to rely on claimant to obtain the records, there would be no need to request the Release of Information form. Given [REDACTED] testimony regarding the usual process for obtaining CMH records, it is understandable that claimant only returned the signed release and expected that the department would then use the release to request the needed treatment records.

Based upon the foregoing facts and relevant law, it is found that the department has not provided sufficient proof that the client refused to provide verifications or that the client had not

made a reasonable effort to provide them. The claimant, with the assistance of CMH who had a usual practice for medical records requests from the department, returned the Release of Information form so that the department could request the needed records from CMH. The department must have sent the records request to CMH at some point as the records were eventually received by the department. Accordingly, the department shall re-instate claimant's January 29, 2009 SDA and MA application.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department has not provided sufficient proof that the client refused to provide verifications or that the client had not made a reasonable effort to provide them

Accordingly, the department's SDA and MA determinations are REVERSED.

Therefore, the department shall re-instate claimant's January 29, 2009 SDA and MA application.

/s/ \_\_\_\_\_  
Colleen Lack  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: November 3, 2009

Date Mailed: November 3, 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 mailing date of the rehearing decision.

CL/cv

cc:

