

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: 2009-4838
Issue No: 2012
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
July 8, 2009
Macomb County DHS

ADMINISTRATIVE LAW JUDGE: Jeanne M. VanderHeide

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the Claimant's request for hearing received by the Department on October 17, 2008. After due notice, a telephone hearing was conducted from Detroit, Michigan on July 8, 2009. The Claimant was represented at the hearing by Attorney [REDACTED]. Patricia Bailey, FIM appeared on behalf of the Department.

ISSUE

Whether the Department properly processed Claimant's Medical Assistance ("MA") application and denied Claimant MA benefits based on excess income effective 8/8/08?

FINDINGS OF FACT

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

1. On April 17, 2008, the Claimant applied for MA benefits. (Exhibit 1, pp. 1-3).
2. The Department mailed Claimant a verification request with a due date of 4/28/08. (Exhibit 1, p. 4).

3. The Department denied Claimant's request for MA benefits due to excess assets (\$14,168.16) on 8/8/08. (Exhibit 1, p. 10).
4. The Department mailed Claimant a verification request for irrevocable funeral contracts on 8/8/08 with a due date of 8/18/08. (Exhibit 1, p. 5).
5. At the hearing, the Department acknowledged that it did not meet the standard of promptness for processing Claimant's MA application.
6. Claimant did not object to the figures used to calculate Claimant's assets or object to Claimant's assets being excess for purposes of the MA program.
7. On October 17, 2008, the Department received the Claimant's written hearing request protesting the August 8, 2008 denial. (Exhibit 8)

CONCLUSIONS OF LAW

The regulations governing the hearing and appeal process for applicants and recipients of public assistance in Michigan are found in the Michigan Administrative Code, MAC R 400.901 – 400.951. An opportunity for a hearing shall be granted to an applicant who requests a hearing because a claim for assistance is denied or is not acted upon with reasonable promptness, and to any recipient who is aggrieved by an agency action resulting in suspension, reduction, discontinuance, or termination of assistance. MAC R 400.903. A request for hearing shall be in writing and signed by the claimant, petitioner, or authorized representative. MAC R 400.904(1). A claimant shall be provided 90 days from the mailing of the notice to request a hearing. MAC R 400.904(4); PAM 600, p. 4

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 pursuant to MCL 400.10, *et. seq.* The Department of Human Services ("DHS"), formally known as the Family Independence Agency, administers the program

pursuant to MCL 400.10, *et seq* and MAC R 400.3001-3015. Departmental policies are found in the Program Administrative Manual (“PAM”), the Program Eligibility Manual (“PEM”), and the Program Reference Manual (“PRM”).

A request for public assistance may be in person, by mail, telephone or through by an internet application. PAM 110, p. 1. Clients must complete and sign public assistance applications. PAM 115, p. 1. An application is incomplete until enough information is provided to determine eligibility. PAM 115, p. 3. The Department is required to process each application within a specified time period. This standard of promptness begins the date the department receives an application/filing form, with minimum required information. PAM 115, p. 10-11. The Department is required to approve or deny the application and mail the client a notice within 45 days. PAM 115, p. 11. The Standard of promptness for MA cases cannot be changed for any reason.

In the subject matter, the Department failed to process the case within the required 45 days. Therefore, The Department has failed to meet the Standard of Promptness. As Claimant did not object to the calculations of the Department or the fact that Claimant was over asset for purposes of the MA program, the Department properly denied MA benefits effective 8/8/08.

It is acknowledged by this Administrative Law Judge that Claimant may have incurred additional medical costs as a result of the late denial of MA benefits. Had Claimant timely known that she was over asset, Claimant could have taken additional estate planning measures at an earlier date. However, it is beyond the jurisdiction of the undersigned to address the possibility of a monetary damage award for the Department’s failure to meet the Standard of Promptness.

Based upon the foregoing facts and relevant law, it is found that the Department failed to process Claimant's MA benefits within the Standard of Promptness. It is further found that the Department properly denied Claimant benefits due to excess assets.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that the Department failed to process the Claimant's MA benefits within the Standard of Promptness.

Further, the Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds the Department acted in accordance with department policy when it denied the Claimant MA benefits effective 8/8/08 for excess assets.

Accordingly, it is ORDERED:

1. The Department's determination is AFFIRMED.

/s/

Jeanne M. VanderHeide
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: 07/31/09

Date Mailed: 07/31/09

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 receipt date of the rehearing decision.

JV/dj

2009-4838/JV

cc:

