

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: 2009-7422
Issue No: 2006
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
August 5, 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 August 5, 2009. Claimant did not appear; however, she was represented by [REDACTED]

ISSUE

Did the department properly process claimant's March 31, 2008 Medicaid (MA)/retro-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 March 31, 2008, claimant applied for Medicaid (MA)/retro-MA.
- (2) On April 15, 2008, claimant signed authorization for [REDACTED] to represent her in the processing of this application.

(3) The department did not provide [REDACTED] with any requests for verifications which may have been necessary to process this application or any subsequent applications.

(4) Seven months later, on October 22, 2008, the department sent a denial notice directly to claimant telling her a different application (dated 7/9/08) was being denied because she failed to provide a certain verification necessary to determine her eligibility.

(5) Claimant's authorized representative testified credibly their office never received any requests for verifications necessary to process any application, nor did they ever receive a denial notice for the March 31, 2008 application (although the department did send them a copy of the denial notice for the subsequent application)(Department Exhibit #2).

(6) At hearing, claimant's authorized representative requested reinstatement of claimant's first application (3/31/08) with processing in accordance with departmental policy.

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.

Verification is usually required at application/redetermination **and** for a reported change affecting eligibility or benefit level. PAM, Item 130, p. 1.

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.

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.

The above-referenced policy requires the department to request necessary verifications from the client or his/her authorized representative when processing applications, and also, it requires the department to send authorized representatives written notice of the approval/denial of those applications.

Claimant's authorized representative testified credibly they did not receive any requests to return verifications necessary for the application being disputed herein, filed on March 31, 2008. While [REDACTED], admits receipt of a subsequent denial notice for a July 2008 application, that application is not before this Administrative Law Judge. Furthermore, the department failed to provide any consistent, historical narrative testimony or documentation sufficient to establish claimant's March 31, 2008 application was processed in accordance with the above-referenced rules. Consequently, the authorized representative's request for application reinstatement and reprocessing must be granted.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the department erred in processing claimant's March 31, 2008 Medicaid (MA)/retro-MA application.

Accordingly, the department's action is REVERSED, and this case is returned to the local office for application reinstatement/reprocessing consistent with departmental policy. **SO ORDERED.**

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

Date Signed: August 10, 2009

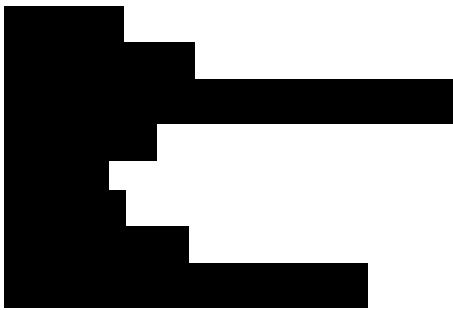
Date Mailed: August 10, 2009

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.

MBM/db

cc:

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