

STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2010-16934
Issue No.: 1018/2018
Case No.: [REDACTED]
Load No.: [REDACTED]
Hearing Date: October 6, 2010
Macomb County DHS (36)

ADMINISTRATIVE LAW JUDGE: Jonathan W. Owens

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 a hearing. After due notice, a telephone hearing was held on October 6, 2010. The claimant appeared and testified. The claimant was represented by [REDACTED].

ISSUE

Did the Department properly determine Claimant was ineligible for Family Independence Program (FIP) benefits due to excess income? Did the Department properly deny Claimant's request for Medicaid (MA)?

FINDINGS OF FACT

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

1. October 19, 2009 the Claimant applied for FIP and MA.
2. November 5, 2009 the Department denied FIP for excess income and denied MA.
3. On November 12, 2009 an online MA application was filed. This application was approved and Medicaid open retro back to September 1, 2009.
4. On November 12, 2009 the Claimant requested a hearing.

CONCLUSIONS OF LAW

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 8 USC 601, *et seq.* The Department of Human Services (formerly known as the Family Independence Agency) administers the FIP program pursuant to MCL 400.10, *et seq.*, and MAC R400.3101-3131. The FIP program replaced the Aid to Dependent Children (ADC) program effective October 1, 1996. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Bridges Reference Manual (BRM).

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 (formerly known as the Family Independence Agency) 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).

In the present case, the Department denied the Claimant FIP due to excess income. The Claimant testified she was working back in September but that position had ended she was no longer employed in October 2009. The Department process the Claimant's request for FIP based upon her application which indicated employment and her earnings.

The relevant policy is located in BAM 130 pg. 1:

All Type of Assistance (TOA)

Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements.

Obtain verification when:

- Required by policy. BEM 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.
- Information regarding an eligibility factor is unclear, inconsistent, incomplete or contradictory. The

questionable information might be from the client or a third party.

- Verification is usually required at application/redetermination **and** for a reported change affecting eligibility or benefit level.
- If the individual indicates the existence of a disability that impairs their ability to gather verifications and information necessary to establish eligibility for benefits, offer to assist the individual in the gathering of such information.

Verification is **not** required:

- **When the client is clearly ineligible**, or
- For excluded income and assets **unless** needed to establish the exclusion.

As indicated in above policy the Department is not required to request verification regarding income if clearly the ineligible. In this case the Claimant's application indicated income that made her ineligible and the Department therefore was correct in determining eligibility based upon her application and denying FIP for excess income.

During the hearing the Department acknowledged the MA case should have been opened for the Claimant. The Department however had already opened coverage back to September 1, 2009 based upon the Claimant's pregnancy, and activate the coverage as required by policy. Therefore there remains nothing more this Administrative Law Judge can order in regards to the Claimant's application for MA.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds the Department incorrectly denied Claimant's MA application but finds the Department has since remedied this and opened the coverage back to the date the Claimant was eligible.

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds the Department correctly denied Claimant's application for FIP based upon excess income.

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Accordingly, the Department's decision is UPHELD.



Jonathan W. Owens
Administrative Law Judge
For Ismael Ahmed, Director
Department of Human Services

Date Signed: 10/14/2010

Date Mailed: 10/14/2010

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.

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