

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: 2010-27193

Issue No: 2007, 3008

Case No: [REDACTED]

Load No: [REDACTED]

Hearing Date:

April 14, 2010

Oakland County DHS (2)

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

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 received by the Department on March 24, 2010. After due notice, a telephone hearing was conducted from Detroit, Michigan on April 14, 2010. The Claimant appeared and testified. Timika Parks, Manager and Stephanie Long, ES appeared on behalf of the Department.

ISSUE

Whether the Department properly closed the Claimant's Medical Assistance case due to Claimant's failure to provide income verification sought by DHS pursuant to a semi annual review?

FINDINGS OF FACT

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

1. The Claimant was a FIP, FAP and MA recipient.

2. The claimant was enrolled in a TMA plus medical plan and was required to make payment for the program no later than February 20, 2009. Exhibit 1
3. The Claimant did not mail the payment until February 19, 2009 or perhaps a day or two later.
4. The Claimant's TMA plus medical benefits terminated and the Claimant was eligible for Medicaid coverage subject to a spend-down deductible amount of \$615. Exhibit 1
5. The Claimant was mailed Notice of a Semi Annual Review dated February 1, 2010 and was requested to provide proof of income for the past 30 days. Exhibit 2
6. The Claimant did not provide the requested information but his wife may have provided one paystub.
7. The Claimant was sent a Verification Checklist on March 3, 2010 requesting verification of Wages for the last 30 days. The Claimant did not provide the requested information to the Department. Exhibit 3
8. The Department sent a Notice of Case Action to the Claimant on March 17, 2010 and was denied Medicaid coverage and his FAP case was closed for failure to submit the requested verification of income. Exhibit 4
9. On March 12, 2010, the Department received the Claimant's Request for Hearing protesting the denial of the Medicaid and FAP benefits.

#### 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 pursuant to MCL 400.10, *et. seq.* The Department of Human Services

(“DHS”), formerly 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 Bridges Administrative Manual (“BAM”)-, the Bridges Eligibility Manual (“BEM”)-, and the Bridges Program Reference Manual (“PRM”)

The Food Assistance Program, formerly known as the Food Stamp (“FS”) program, is established by the Food Stamp Act of 1977, as amended, and is implemented by the federal regulations contained in Title 7 of the Code of Federal Regulations (“CFR”). The Department of Human Services (“DHS”), formally known as the Family Independence Agency, administers the FAP program pursuant to MCL 400.10, *et. seq.* and MAC R 400.3001-3015. Departmental policies are found in the Bridges Administrative Manual (“BAM”), the Bridges Eligibility Manual (“BEM”), and the Reference Table Manuals (“RFT”).

Clients must cooperate with the local office in determining initial and ongoing eligibility to provide verification. BAM 130, p. 1. The questionable information might be from the client or a third party. Id. The Department can use documents, collateral contacts or home calls to verify information. Id. The client should be allowed 10 calendar days to provide the verification. If the client cannot provide the verification despite a reasonable effort, the time limit to provide should be extended at least once. BAM 130, p.4; PEM 702. If the client refuses to provide the information or has not made a reasonable effort within the specified time period, then policy directs that a negative action be issued. BAM 130, p. 4. Before making an eligibility determination, however, the department must give the client a reasonable opportunity to resolve any discrepancy between his statements and information from another source. BAM 130, p. 6.

The Department is required to verify income at application and when a change is reported.

In this case, the Claimant had a series of issues that affected his benefits which included his failure to provide income verification pursuant to a semi annual review and a verification checklist sent by the Department to the Claimant.

TMA-Plus is available to families after Transitional MA (TMA) ends to assist families who are unable to purchase employer-sponsored health care. TMA-Plus offers a way to extend medical coverage through a premium-payment plan. BEM 647, page 1

The Claimant was deemed eligible for TMA Plus but did not pay the required premium by the due date of February 20, 2010. The Claimant was aware of the due date and had received the necessary information but the premium was not received by the due date as required by BEM 647. BEM 647, page 9 provides that if the initial premium is not received by the due date, the Department of Community Health will take not action and the case will become an active deductible case. Based upon the policy discussed, herein, it does appear that the Claimant became ineligible for TMA Plus when the payment was not made on time, and thus, the Claimant's medical coverage was subject to conversion to an active medical deductible case. The Department's actions, with regard to the TMA Plus, appear to be in accordance with its policies contained in BEM 647.

The Department did ultimately terminate the Claimant's FAP and MA benefits for failure to verify income. The Claimant did admit that, except for one check stub of biweekly pay, the Claimant did not submit the requested verifications. The Claimant also testified that his income fluctuated. It appears there was nothing further the Department could do without proof of income verification. The Claimant had two bites of the apple as he was requested to provide paystubs pursuant to the Semi Annual Review and the Verification checklist.

The failure to provide the requested income verification resulted in closure of the Claimant's FAP case. BAM 130 Fortunately, the Claimant has reapplied for benefits and has another opportunity to provide the Department the requested verification of income.

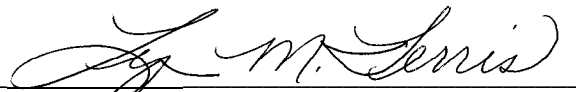
Accordingly, it is found that the Department's termination of the Claimant's FAP and MA cases is AFFIRMED.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that there was sufficient evidence presented to affirm the Department's actions.

Accordingly, it is held:

The Department's determination to close Claimant's FAP and MA case effective March 31, 2010 is AFFIRMED.



Lynn M. Ferris  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: 05/28/10

Date Mailed: 06/04/10

**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.

LMF/dj

2010-27193/LMF

cc:

