

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: 2010-29440
Issue No: 2008
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
July 14, 2010
Eaton County DHS

ADMINISTRATIVE LAW JUDGE: Steven M. Brown

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 conducted from Lansing, Michigan on July 14, 2010.

ISSUE

Whether the Department properly denied Claimant's application for Medical Assistance (MA) benefits based upon his failure to provide requested verification(s)?

FINDINGS OF FACT

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

1. A Retroactive Medicaid Application was filed for [REDACTED].
(Exhibit 7)

2. The Department sent an Application Notice that stated – “You are not eligible for Medicaid: You failed to provide the Department with information needed to determine eligibility.” (Exhibit 10)

3. The Department received a hearing request from [REDACTED], for and on behalf of Claimant, protesting the denial of his application for MA benefits. (Exhibit 2)

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).

Clients must cooperate with the local office in determining initial and ongoing eligibility. This includes the completion of necessary forms. BAM 105, p. 5 Verification means documentation or other evidence to establish the accuracy of the client’s verbal or written statements. BAM 130, p.1 Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level when it is required by policy, required as local office option or information regarding an eligibility factor is unclear, inconsistent, incomplete or contradictory. BAM 130, p.1 The Department uses documents, collateral contacts or home calls to verify information. BAM 130, p.1 A collateral contact is a direct contact with a person, organization or

agency to verify information from the client. BAM 130, p. 2 When documentation is not available, or clarification is needed, collateral contact may be necessary. BAM 130, p. 2

Clients are allowed 10 calendar days (or other time limit specified in policy) to provide the verifications requested by the Department. BAM 130, p. 4 If the client cannot provide the verification despite a reasonable effort, the time limit should be extended no more than once. BAM 130, p. 4 A negative action notice should be sent when the client indicates a refusal to provide the verification or the time period provided has lapsed and the client has not made a reasonable effort to provide it. BAM 130, p.4

In the instant case, there really is no way for the undersigned to make any real findings of fact. The original hearing had to be adjourned because neither the Department representative or [REDACTED] had any of the Department's exhibits requiring the undersigned to send them to both parties. At the adjourned hearing, the testimony and exhibits were inconsistent at best.

The "Date Client Notified of Department Action" and "Action Effective Date" on the Hearing Summary are wrong. In the "Explanation" on the Hearing Summary, it states that that the "Customer applied for Medicaid on 07/16/09 requesting retro for the month of April 2009", but the Department only included page 1 of the Retroactive Medicaid Application. (Exhibits 1, 7) The Department also included page 3 of a DHS-1171 for a different customer [REDACTED] and page 15 of a DHS-1171 with an illegible signature and no other identifying information except for [REDACTED] was filing it for and on behalf of somebody else. Most likely it was the same application for [REDACTED] as the Department also included an Authorization to Represent and Authorization for Release of Information for [REDACTED]. (Exhibits 3-6)

The Department included an Appearance of Authorized Representative for [REDACTED], but that was dated April 16, 2009 which is intriguing considering the application was not allegedly filed until July 16, 2009 according to the Department (Hearing Summary) and July 29, 2009 according to [REDACTED] (Hearing Request). However, [REDACTED] included the 2nd page of the Retroactive Medicaid Application which shows an April 16, 2009 date. (Exhibits 2, 8, 22) It is also difficult to understand how the Department sent out a Verification Checklist on July 30, 2009 to “[REDACTED]” and [REDACTED] sent Claimant’s ID, social security card and birth certificate to the Department on August 24, 2009, but [REDACTED] denied receiving the Verification Checklist. (Exhibits 9, 13, 14) It does appear that [REDACTED] checked on the status of a Verification Checklist on September 23, 2009. (Exhibit 15) The Department also testified that it did not appear that it sent [REDACTED] the Application Notice and [REDACTED] shared the same opinion. (Exhibit 10)

With the above said, I do not find that the Department established that it acted in accordance with policy in denying Claimant’s MA application. There are just too many questions of fact for the Department to meet its burden in this matter.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, does not find that the Department acted in accordance with policy in denying Claimant’s MA application.

Accordingly, the Department’s MA eligibility determination is REVERSED, it is SO ORDERED. The Department shall:

- 1) Send a Verification Checklist to Claimant and [REDACTED] requesting whatever information, if any, that is needed to process Claimant's Retroactive Medicaid Application.
- 2) Issue Claimant supplemental benefits he is entitled to, if any.
- 3) Notify Claimant and [REDACTED] in writing of the Department's revised determination.
- 4) Claimant retains the right to request a hearing if he would like to contest the Department's revised determination.

/s/

Steven M. Brown
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: July 28, 2010

Date Mailed: July 28, 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 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.

SMB/tg

cc:

[REDACTED]