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.: 201035640
Issue No.: 2011
Case No.: [redacted]
Load No.:
Hearing Date: October 6, 2010
Office: Macomb County DHS (12)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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; Philip Singleton also appeared and testified on behalf of Claimant. On behalf of Department of Human Services (DHS), [redacted], Specialist, appeared and testified.

ISSUE

Whether DHS properly denied Claimant's request for Medical Assistance (MA) benefits dated 3/17/09.

FINDINGS OF FACT

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

1. On 3/17/09, Claimant submitted an Assistance Application (Exhibit 1) to DHS requesting MA benefits.

2. Claimant's 3/17/09 application did not indicate that Claimant was disabled, though it was Claimant's intention to seek MA benefits based on being disabled.

3. DHS never mailed Claimant a denial of his 3/17/09 MA benefit request.

4. Claimant applied for State Disability Assistance benefits on 10/27/09 and marked that he was disabled.

5. DHS mailed a Notice of Case Action (Exhibit 2) to Claimant on 1/13/10 denying Claimant's SDA benefits on the basis that Claimant was not disabled.

6. Claimant requested a hearing on 2/25/10 intending to dispute his lack of SDA and MA benefits though Claimant only stated that he was disputing SDA benefits.

7. DHS prepared a Hearing Summary in response to Claimant's 3/17/09 application for MA benefits.

CONCLUSIONS OF LAW

The State Disability Assistance (SDA) program which provides financial assistance for disabled persons is established by 2004 PA 344. The Department of Human Services (formerly known as the Family Independence Agency) administers the SDA program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3151-400.3180. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT). Prior to 8/2009, DHS policies were found in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

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 Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT). At the time of Claimant's application, DHS policies were found in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

MA provides medical assistance to individuals and families who meet financial and nonfinancial eligibility factors. The goal of the MA program is to ensure that essential health care services are made available to those who otherwise would not have financial resources to purchase them.

For all programs, clients must be notified in writing of positive and negative actions. PAM 220 at 1. A notice of case action must specify the following: the action(s) being taken by DHS, the reason(s) for the action, the specific manual item which cites the legal base for an action or the regulation or law itself, an explanation of the right to request a hearing and the conditions under which benefits are continued if a hearing is requested. *Id*.

In the present case, Claimant applied for MA benefits on 3/17/09. DHS failed to prove that they properly denied Claimant's application. DHS verified that a written notice of case action was mailed for Claimant's 10/27/09 request for SDA benefits. DHS failed to establish that such a notice was provided for Claimant's 3/17/09 application for MA benefits. It is found that DHS properly failed to send Claimant proper notice for the denial of his 3/17/09 MA benefit request.

While an application is considered valid, the client may update the current application rather than complete a new one to add or transfer programs or add a member. PAM 115 at 10. The undersigned interprets the above policy to allow an updating of any information that requires correction. It should be noted, that DHS policy allowing reporting of information would probably also allow Claimant an opportunity to correct a mistake in his application.

As DHS failed to properly deny Claimant's 3/17/09 MA benefit request, the request should be considered pending until proper notice is mailed. As Claimant's MA benefit request is still pending due to the DHS failure to notify Claimant of a denial of MA benefits, DHS should update Claimant's 3/17/09 MA application to reflect that he is claiming a disability and process the application in accordance with their regulations.

DHS denied Claimant's application dated 10/27/09 requesting MA benefits after a determination that Claimant was not disabled. This issue was not properly prepared for this hearing. This issue is to be rescheduled for a future administrative hearing. It should be noted that the future administrative hearing will likely determine Claimant's MA benefit eligibility from 3/17/09, which will likely depend on a finding that Claimant is disabled.

DECISION AND ORDER

The actions taken by DHS are REVERSED. The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS improperly denied Claimant's application dated 3/17/09 requesting MA benefits. It is ordered that Claimant shall have an opportunity to amend his Assistance Application dated 3/17/09 and that DHS shall process Claimant's request for MA benefits in accordance with their policies. The issue of whether DHS properly determined that Claimant is not disabled is left for determination for a future administrative hearing.

/s/ Christian Gardocki

Christian Gardocki
Administrative Law Judge
For Ismael Ahmed, Director
Department of Human Services

Date Signed: October 14, 2010

Date Mailed: October 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 60 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.

CG/hw

cc: [redacted]