

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: 2010-35700
Issue No: 2006
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
September 3, 2009
Cheboygan County DHS

ADMINISTRATIVE LAW JUDGE: Suzanne L. Keegstra

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 held on June 15, 2010. The claimant personally appeared and provided testimony.

ISSUE

Did the department properly terminate the claimant's Medical Assistance (MA) benefits for failure to return the required verification materials in November, 2009?

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's MA case came due for a redetermination in October, 2009. The claimant returned the Redetermination form (DHS-1010) on October 1, 2009. The claimant submitted copies of bills that she pays along with the redetermination form. One of these bills was for life insurance through [REDACTED]. (Department Exhibit 1 – 8; 12 – 13)

2. On October 28, 2009, the claimant was mailed a Verification Checklist (DHS-3503) requiring her to provide verification of her checking account and verification of the amount of the life insurance policy. The verifications were due by November 9, 2009.

(Department Exhibit 15)

3. The verification of the life insurance policy was not provided and on November 10, 2009, the department mailed the claimant a Notice of Case Action (DHS-1605) that indicated her MA benefits would be terminated because she failed to provide the department with the necessary verifications.

4. The claimant submitted a hearing request on November 23, 2009.

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 Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference Manual (PRM).

Department policy states:

CLIENT OR AUTHORIZED REPRESENTATIVE RESPONSIBILITIES

Responsibility to Cooperate

All Programs

Clients must cooperate with the local office in determining initial and ongoing eligibility. This includes completion of the necessary forms. BAM, Item 105, p. 5.

Refusal to Cooperate Penalties

All Programs

Clients who are able but refuse to provide necessary information or take a required action are subject to penalties. BAM, Item 105, p. 5.

Verifications

All Programs

Clients must take actions within their ability to obtain verifications. DHS staff must assist when necessary. See BAM 130 and BEM 702. BAM, Item 105, p. 8.

Assisting the Client

All Programs

The local office must assist clients who ask for help in completing forms (including the DCH-0733-D) or gathering verifications. Particular sensitivity must be shown to clients who are illiterate, disabled or **not** fluent in English. BAM, Item 105, p. 9.

Verification is usually required at application/redetermination **and** for a reported change affecting eligibility or benefit level. BAM, 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. BAM, Item 130, p. 2.

The client must obtain required verification, but you must assist if they need and request help. BAM, Item 130, p. 2.

Timeliness Standards

All Programs (except TMAP)

Allow the client 10 calendar days (**or** other time limit specified in policy) to provide the verification you request. If the client cannot provide the verification despite a reasonable effort, extend the time limit at least once. BAM, Item 130, p. 4.

Send a negative action notice when:

- . the client indicates refusal to provide a verification, **or**
- . the time period given has elapsed and the client has not made a reasonable effort to provide it. BAM, Item 130, p. 4.

MA Only

Send a negative action notice when:

- . the client indicates refusal to provide a verification, **or**
- . the time period given has elapsed. BAM, Item 130, p. 4.

The claimant is required to comply with the department in providing the verification materials necessary to allow the department to determine initial or ongoing eligibility. BAM 105. In this case, the claimant turned in a bill for a life insurance policy that had not been included in the department's determination of eligibility. Therefore, the department mailed the claimant a Verification Checklist (DHS-3503) to determine the value of the policy to ensure the claimant still met eligibility requirements.

Department policy indicates that the department will tell the client what verification is required, how to obtain it, and the due date by using the Verification Checklist form. BAM 130. The claimant does not dispute that she received the Verification Checklist requiring further information on the life insurance policy. The claimant testified that she didn't understand what information was being requested and thought she had already provided any necessary information. The claimant did not call the department for help in obtaining the information or additional time to provide it.

Department policy indicates that the department will send a negative action notice when the time period for the verifications has elapsed and no information has been provided. BAM 130. Therefore, when the department received no information on the value of the life insurance policy and the due date passed, they had no choice but to close the claimant's MA case.

It is noted that the claimant requested a hearing on the closure of her FAP benefits. However, the claimant's FAP did not close at this time. The claimant's FAP benefits closed prior to June, 2009. The claimant's hearing request was turned in on November 23, 2009. Therefore, the negative action that closed her FAP case was more than 90 days prior to the hearing request. Department policy requires the claimant to submit a hearing request within 90 days of the negative action notice. Thus, this Administrative Law Judge is unable to hear any issues pertaining to the FAP closure.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department properly terminated the claimant's MA benefits because the claimant did not return the required verifications as required by the department.

Accordingly, the department's actions are UPHeld. SO ORDERED.

/S/ _____
Suzanne L. Keegstra
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: August 17, 2010

Date Mailed: August 17, 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.

2010-35700/SLK

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.

SLK [REDACTED]

cc:

[REDACTED]