

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.: 20105409
Issue No.: 2006
Case No.: [REDACTED]
Load No.: [REDACTED]
Hearing Date: July 1, 2010
Wayne County DHS (17)

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 July 1, 2010. Claimant's authorized hearing representative, [REDACTED] appeared on behalf of Claimant; [REDACTED] appeared and testified. On behalf of Department of Human Services (DHS), Danita Holland-Seay, Specialist, appeared and testified.

ISSUE

Whether DHS properly denied Claimant's request for Medical Assistance (MA) benefits.

FINDINGS OF FACT

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

1. Claimant applied for MA benefits on 5/21/08; Claimant also requested three months of retroactive MA benefits back to 2/2008.
2. DHS received an authorization to represent Claimant from [REDACTED] on 5/21/08.
3. At an unspecified time, DHS discovered that a male adult with Claimant's same last name was living at Claimant's address; the person was not listed on Claimant's application as a household member.

4. On 6/25/08, DHS denied Claimant's application for MA benefits due to a failure to return verifications.
5. [REDACTED] disputed the denial of MA benefits and requested an administrative hearing.
6. An administrative decision dated 4/30/09 ordered DHS to reopen and process Claimant's 5/21/08 application in accordance with DHS policy.
7. On 5/4/09, DHS requested the following from Claimant and Claimant's authorized representative via Verification Checklist (DHS-3503): driver's license/ID card, social security card, proof of immigration/alien status, verification of all income, current medical or child care bills, health or medical insurance premium, child support expenses.
8. DHS also stated on the DHS-3503, "Need proof of all household income during period of 2/08 through 5/08. Household income also includes that of a spouse or child. Must verify citizenship for all group members."
9. The due date of the DHS-3503 was 5/14/09.
10. On 5/13/09, [REDACTED] requested a 10 day extension of the due date; DHS approved the extension.
11. On 5/20/09, [REDACTED] requested a second 10 day extension of the due date; DHS did not approve the extension.
12. DHS received no verifications except for proof of Claimant's citizenship.
13. On 5/27/09, DHS denied Claimant's application for MA benefits due to a failure to verify spousal income.

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 (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105. Current DHS 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 for MA benefits, DHS policies were found in Program Administrative Manual (PAM) and Program Eligibility Manual (PEM). The appropriate policy to follow is the policy that was in effect at the time of Claimant's application date.

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.

█ testified that they are only attempting to obtain MA benefits for Claimant. DHS testified that Claimant's application sought FIP benefits and MA benefits for all household members. The undersigned accepts the limited jurisdiction as framed by Claimant's hearing representative that a hearing was only requested for Claimant's MA benefits.

DHS specialists are directed to obtain verification when required by policy or when information regarding an eligibility factor is unclear, inconsistent, incomplete or contradictory. PAM 130 at 1. Allow the client 10 calendar days (or other time limit specified in policy) to provide the requested verification. PAM 130 at 4. If the client cannot provide the verification despite a reasonable effort, extend the time limit at least once. *Id.*

To be eligible for full MA coverage a person must be a U.S. citizen or an alien admitted to the U.S. under a specific immigration status. PEM 255 at 1. U.S. citizenship must be verified with an acceptable document to receive Medicaid. *Id.*

DHS testified that the denial of MA benefits was partially based on a failure to verify citizenship for all household members. Though only MA is being sought for Claimant, DHS indicated that Claimant's eligibility for MA benefits would be as a low-income family, in which case all persons within the family would receive MA benefits. The DHS argument is flawed. Claimant can receive Medicaid as part of a low-income family while other family members may be disqualified from the Medicaid due to a failure to verify citizenship.

The DHS argument that Claimant was properly denied MA is also unpersuasive for another reason. Citizenship/alien status is not an eligibility factor for MA emergency services. BEM 225 at 2. Emergency services MA is a limited medical coverage which provides Medicaid only for selected emergencies. Thus, a failure to verify citizenship should still result in a determination of Claimant's eligibility for emergency MA coverage. DHS failed to make such a determination. However, since Claimant did verify her citizenship, the better argument for finding that DHS improperly denied Claimant's MA is based on policy which requires Claimant to verify her own citizenship and not that of other household members. It is found that the failure by Claimant to verify citizenship of all household members is not an appropriate basis to deny MA benefits to Claimant.

DHS also contended that Claimant was denied MA benefits for failing to clarify inconsistent information concerning her marital status. DHS discovered that an adult male with Claimant's last name resides at the same address as Claimant; DHS was uncertain whether the adult male resided with Claimant in 2008, the time of Claimant's application. It is found that DHS had reason to seek further verification from Claimant due to the apparent inconsistency between their records and Claimant's application.

To resolve the discrepancy, DHS specifically requested verification of "all household income during period of 2/08 through 5/08." DHS further noted, "Household income also includes that of a spouse or child." Claimant failed to return any documents in response to the request. As a result, DHS denied Claimant's request for MA benefits.

The problem with the DHS denial is that Claimant was denied for failing to verify income of a person that DHS has yet to establish is relevant to the 2008 application. If DHS is certain that Claimant was married at the time of her 5/2008 MA request, the basis for that belief was not submitted during the hearing. A better request of verifications would have been a written statement regarding Claimant's 5/2008 marital status, a marriage certificate and/or a written statement concerning Claimant's relationship to the person DHS believes to be Claimant's spouse. If Claimant failed to respond to the above requests, then DHS would have been justified in denying Claimant's application due to Claimant's failure to clarify inconsistent information. However, Claimant's failure to report income (which may or may not exist) of a household member (which may or may not be relevant) is not an appropriate basis to deny Claimant's MA benefit request. It is found that DHS improperly denied Claimant's request for MA benefits.

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 closed Claimant's request for MA benefits.

It is ORDERED that DHS reinstate Claimant's 5/21/08 application for MA benefits, including Claimant's request for retroactive MA benefits. DHS is to make future requests for verification in accordance with its policy.



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

Date Signed: 07/07/10

Date Mailed: 07/08/10

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.

CG/dj

cc:

[REDACTED]