

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: 2010-10272
Issue No: 2006; 4003
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
June 14, 2010
Ingham County DHS

ADMINISTRATIVE LAW JUDGE: [Susanne E. Harris](#)

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 June 14, 2010. The claimant personally appeared and testified.

ISSUE

Did the department act in accordance with departmental policy when taking action to deny the claimant's application for Medical Assistance (MA) and State Disability Assistance (SDA) due to the claimant's failure to submit the requested verifications?

FINDINGS OF FACT

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

- (1) On or about September 1, 2009, the claimant applied for MA and SDA.

(2) On September 24, 2009, the department sent the claimant a DHS-3503, Verification Checklist instructing the claimant to submit the required medical forms and all medical records and reports for the last 12 months by October 5, 2009.

(3) On October 5, 2009, the department sent the claimant a DHS-1605, Notice of Case action informing the claimant that her application for SDA had been denied.

(4) On October 20, 2009, the department received the claimant's written notice protesting the department's denial of her application for SDA and MA.

CONCLUSIONS OF LAWThe State Disability Assistance (SDA) program which provides financial assistance for disabled persons is established by 2004 PA 344. The Family Independence Agency (FIA or agency) administers the SDA program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3151-400.3180. Agency policies are found in the Program Administrative Manual (BAM), the Program Eligibility Manual (BEM) 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 Family Independence Agency (FIA or agency) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105. Agency policies are found in the Program Administrative Manual (BAM), the Program Eligibility Manual (BEM) and the Program Reference Manual (PRM).

The department's policy manuals provide the following relevant policy instructions and statements for caseworkers:

Verifications

All Programs

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

LOCAL OFFICE RESPONSIBILITIES

All Programs

Ensure client rights described in this item are honored and that client responsibilities are explained in understandable terms. Clients are to be treated with dignity and respect by all FIA employees. BAM, Item 105, pp. 8 and 9.

Informing the Customer

All Programs

Inform people who inquire about:

- . the FIA programs available, including domestic violence comprehensive services.
- . their right to apply.

Provide specific eligibility information on any program they are interested. BAM, Item 105, p. 9.

The local office is **not** expected to:

- . provide estate planning advice, or
- . determine the effect on eligibility of proposed financial arrangements such as a proposed trust. 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. 10.

Determining Eligibility

All Programs

Determine eligibility and benefit amounts for all requested programs. BAM, Item 105, p. 11.

At application and redetermination, thoroughly review all eligibility factors in the case. Review the effect on eligibility whenever the client reports a change in circumstances. These reviews must be completed within the standards of promptness. See BAM 115, 210 and 220. BAM, Item 105, p. 11.

Document each determination of eligibility or ineligibility on the FIA-1171-C, Eligibility Determination and Certification, and inform the client of the decision. BAM, Item 105, p. 11.

VERIFICATION AND COLLATERAL CONTACTS

AGENCY POLICY

All Programs

Verification means documentation or other evidence to establish the accuracy of the customer's verbal or written statements.

Obtain verification when:

- . required by policy. BEM items specify which factors and under what circumstances verification is required.
- . required as a local office option. The requirement **must** be applied the same for every customer.

Exception: Local requirements may **not** be imposed for MA, TMA-Plus or AMP without prior approval from central office.

- . information regarding an eligibility factor is unclear, inconsistent, incomplete or contradictory. The questionable information might be from the customer or a third party. BAM, Item 130, p. 1.

Verification is usually required at application/redetermination **and** for a reported change affecting eligibility or benefit level. BAM, Item 130, p. 1.

Verification is **not** required:

- . when the customer is clearly ineligible, or

- . for excluded income and assets **unless** needed to establish the exclusion. BAM, Item 130, p. 1.

Obtaining Verification

All Programs

Tell the customer what verification is required, how to obtain it, and the due date (see “**Timeliness Standards**” in this item). Use the FIA-3503, Verification Checklist, or for MA redeterminations, the FIA-1175, MA Determination Notice, to request verification. BAM, Item 130, p. 2.

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

If neither the customer nor you can obtain verification despite a reasonable effort, use the best available information. If **no** evidence is available, use your best judgment.

Exception: Alien information, blindness, disability, incapacity, inability to declare one's residence and, for FIP only, pregnancy must be verified. BAM, Item 130, p. 2.

Timeliness Standards

All Programs (except TMAP)

Allow the customer 10 calendar days (**or** other time limit specified in policy) to provide the verification you request. If the customer cannot provide the verification despite a reasonable effort, extend the time limit at least once. BAM, Item 130, p. 3.

Send a negative action notice when:

- . the customer indicates refusal to provide a verification, **or**
- . the time period given has elapsed and the customer has not made a reasonable effort to provide it. BAM, Item 130, p. 3.

Only **adequate** notice is required for an application denial. **Timely** notice is required to reduce or terminate benefits.

Exception: At redetermination, **FAP** customers have until the last day of the redetermination month **or** 10 days, whichever is

later, to provide verification. See BAM 210. BAM, Item 130, p. 3.

ELIGIBILITY DECISIONS

Denials

All Programs

If the group is ineligible **or** refuses to cooperate in the application process, send a denial notice within the standard of promptness. BAM, Item 115, p. 15.

In this case, the claimant testified that she did submit the required medical forms on the last day that they were due, which was October 5, 2009. The claimant stated that she not only submitted all the required forms, but signed the front office log book indicating as much. The department personnel at the hearing indicated that a copy of the log book entry from October 5, 2009 could be obtained, but it might take some time.

The record was therefore left open until June 21, 2009 for the department's worker to submit the log book entries for October 5, 2009. They were submitted via facsimile on June 14, 2010. The entries begin with October 4, 2009 and end with October 6, 2009 and, after careful review, the claimant's name is not contained in the log book entries for October 5, 2009. Therefore, the claimant's testimony that she actually submitted the medical forms is found to be less than credible.

Departmental policy requires that the department's caseworker take action to deny the claimant's application for assistance when the time period given for submission of requested verification has elapsed and the claimant has made no reasonable effort to provide such verification. Furthermore, the claimant did not ask for an extension of time to submit such verification. Therefore, when the department took action to deny the claimant's application for assistance, that action was proper and correct.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the department was acting in accordance with departmental policy when taking action to deny the claimant's application for MA and SDA benefits. Accordingly, the department's actions are AFFIRMED.

SO ORDERED.

/s/ _____
Susanne E. Harris
Administrative Law Judge
for Ishmael Ahmed, Director
Department of Human Services

Date Signed: July 15, 2010

Date Mailed: July 15, 2010

NOTICE: The law provides that within 30 days of receipt of the above Decision and Order the claimant may appeal it to the circuit court for the county in which he/she lives. Administrative Hearings, on its own motion, or on request of a party within 30 days of the receipt of this Decision and Order, may order a rehearing. Administrative Hearings will not order a rehearing on the agency's motion where the final decision or rehearing cannot be implemented within 90 days of the filing of the original hearing request.

SEH/tg

cc:

