

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.: 2010-42931
Issue No.: 2006
Case No.: [REDACTED]
Load No.: [REDACTED]
Hearing Date: October 20, 2010
DHS County: Wayne (82)

ADMINISTRATIVE LAW JUDGE: Aaron McClintic

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9, MCL 400.37 and upon Claimant's request for a hearing. After due notice, a telephone hearing was held on October 20, 2010. Claimant's Power of Attorney, [REDACTED], appeared and testified on behalf of Claimant. [REDACTED] appeared on behalf of the Department of Human Services (Department).

ISSUE

Was the Department correct in denying Claimant's Medical Assistance (MA) application for failing to return 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) Claimant applied for MA benefits on February 16, 2010.
- (2) A Verification Checklist was mailed to Claimant on February 22, 2010, with a March 5, 2010, due date requesting verification of assets.
- (3) Claimant submitted verification of income and assets on March 5, 2010.
- (4) Claimant's application was denied April 13, 2010, for failing to verify information necessary to determine eligibility for the program.
- (5) Claimant requested a hearing on April 15, 2010, contesting the denial of MA benefits.

CONCLUSIONS OF LAW

MA 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 (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 Program Reference Manual (PRM).

Clients must cooperate with the local office in determining initial and ongoing eligibility to provide verification. BAM 130, p. 1. The questionable information might be from the client or a third party. *Id.* The Department can use documents, collateral contacts or home calls to verify information. *Id.* The client should be allowed 10 calendar days to provide the verification. If the client cannot provide the verification despite a reasonable effort, the time limit to provide should be extended at least once. BAM 130, p.4; BEM 702. If the client refuses to provide the information or has not made a reasonable effort within the specified time period, then policy directs that a negative action be issued. BAM 130, p. 4. Before making an eligibility determination, however, the Department must give the client a reasonable opportunity to resolve any discrepancy between his statements and information from another source. BAM 130, p. 6.

In the present case, Claimant applied for MA benefits on February 16, 2010. A Verification Checklist was sent to Claimant on February 22, 2010, with a March 5, 2010, due date. Claimant provided some verifications on March 5, 2010. Claimant's application was denied on April 13, 2010, for failing to return verifications. The verification not received by the Department was a valuation of [REDACTED] stock holdings. Claimant's representative credibly testified that he attempted to get a valuation but, due to the bankruptcy of [REDACTED], it was difficult to obtain. This Administrative Law Judge cannot find that Claimant refused to cooperate or failed to make a reasonable effort to cooperate. Therefore, the Department's denial of Claimant's application for failing to provide verifications is improper and incorrect. The Department presented some evidence of Claimant's assets and asserted that Claimant had excess assets. This was not the basis for the denial and was not considered as part of this decision.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law decides that the Department was incorrect in the denial of Claimant's MA application, and it is ORDERED that the Department's decision is hereby REVERSED. Claimant's application shall be reinstated and reprocessed as of the date of denial.



Aaron McClintic
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: October 25, 2010

Date Mailed: October 27, 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 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.

AM/pf

cc:

