

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: 201049978
Issue No: 2006
Case No: [REDACTED]
Hearing Date: February 8, 2011
Isabella County DHS

ADMINISTRATIVE LAW JUDGE: Janice G. Spodarek

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, an in-person hearing was held on February 8, 2011. Claimant was represented by [REDACTED].

ISSUE

Did the DHS properly deny claimant's MA application of December 18, 2009 on the ground that claimant failed to deliver necessary verifications to determine eligibility?

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 December 18, 2009, claimant applied for MA.
2. [REDACTED] never submitted an authorization to represent until after the denial—on June 26, 2010.
3. On December 18, 2009, the DHS issued a Verification Checklist.
4. On January 19, 2010, [REDACTED] submitted some verifications on behalf of claimant.

5. On February 8, 2010, the DHS contacted [REDACTED] granting an extension for verifications to February 18, 2010.
6. On February 17, 2010, A [REDACTED] requested another extension.
7. On February 23, 2010, [REDACTED] submitted additional verifications.
8. On February 26, 2010, [REDACTED] submitted additional verifications requesting another ten day extension.
9. After February 26, 2010, no further contact was made with [REDACTED]
10. On April 26, 2010, the case was reviewed and it was determined that bank statements were still outstanding. On April 26, 2010, the DHS issued a denial notice denying claimant's application for the following reason: "Failed to return bank statement as requested."
11. On July 9, 2010, [REDACTED] requested an administrative hearing.
12. An authorization to represent contained in the case record is dated June 26, 2010.

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 Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

General verification policy and procedure states in part:

DEPARTMENT POLICY

All Programs

Clients have rights and responsibilities as specified in this item.

The local office must do **all** of the following:

- . Determine eligibility.
- . Calculate the level of benefits.
- . Protect client rights. PAM, Item 105, p. 1.

All Programs

Clients must completely and truthfully answer all questions on forms and in interviews. PAM, Item 105, p. 5.

The client might be unable to answer a question about himself or another person whose circumstances must be known. Allow the client at least 10 days (or other timeframe specified in policy) to obtain the needed information. PAM, Item 105, p. 5.

Responsibility to Report Changes

All Programs

This section applies to all groups **except** most FAP groups with earnings.

Clients must report changes in circumstances that potentially affect eligibility or benefit amount. Changes must be reported **within 10 days**:

- . after the client is aware of them, or
- . the start date of employment. PAM, Item 105, p. 7.

Verifications

All Programs

Clients must take actions within their ability to obtain verifications. DHS staff must assist when necessary. See PAM 130 and PEM 702. PAM, 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. PAM, Item 105, p. 9.

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. PAM, Item 130, p. 2.

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. PAM, 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. PAM, Item 130, p. 4

FAP Only

Do **not** deny eligibility due to failure by a person **outside** the group to cooperate with a verification request. In applying this policy, a person is considered a group member if residing with the group and is disqualified: See “**Disqualified Persons**” in PEM Item 212. PAM, Item 105, p. 5. 7 CFR 273.1.

VERIFICATION AND COLLATERAL CONTACTS

DEPARTMENT POLICY

All Programs

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

Obtain verification when:

- . required by policy. PEM 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 client. 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 client or a third party. PAM, Item 130, p. 1.

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

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

In this case, the department clearly followed its policy and procedure with regards to requesting verifications and indicating when they were due. In fact, the department exceeded its duty in giving numerous extensions, on numerous occasions. Unrefuted evidence on the record is that the requests were clear and properly communicated.

Unrefuted evidence on the record is that the bank statements were not provided as requested.

As the department's actions were correct under its policy and procedure, and the evidence indicates that claimant failed to comply with the verification requests, the department's denial is upheld.

It is noted that [REDACTED] was unclear at the administrative hearing as to the proper MA category. [REDACTED] understood that asset verification was not necessary. However, the department indicated that in fact it was as there was no automatic eligibility and thus income and assets must be considered (as the mother was not on MA at the time of the birth) claimant and her spouse received income of [REDACTED] per month from gaming revenues.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department's actions were correct.

Accordingly, the department's denial is UPHELD.

/S/

Janice G. Spodarek
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: February 15, 2011

Date Mailed: February 15, 2011

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.

JGS/db

cc:

