

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. 201051513
Issue No. 2006/4003
Case No. 1 [REDACTED]
Load No. [REDACTED]
Hearing Date: January 12, 2011
Crawford County DHS

ADMINISTRATIVE LAW JUDGE: Marlene B. Magyar

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 January 12, 2011. Claimant and her [REDACTED] advocate personally appeared and testified.

ISSUE

Did the department properly deny claimant's May 4, 2010 Medicaid (MA) and State Disability Assistance (SDA) application based on failure to return requested verifications necessary to determine her eligibility for program 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. On May 4, 2010, claimant applied for disability-based MA/SDA (Department Exhibit #1, pgs 15-25).
2. On May 17, 2010, the department provided claimant with a Verification Checklist (DHS-3503) requesting specific medical verifications necessary to determine her eligibility for program benefits.
3. Claimant's initial deadline for submission of these verifications was May 27, 2010.

4. When all the necessary verifications were not timely provided the department extended claimant's deadline several more times at her request, specifically, to June 24, 2010, August 5, 2010 and August 23, 2010.
5. When the last extension deadline passed without the department receiving all the necessary requested verifications they mailed claimant a denial notice.
6. In response, claimant filed a hearing request dated August 23, 2010.
7. Claimant's hearing was held by conference telephone on January 12, 2011.
8. Claimant stipulated on the record at hearing she was not able to obtain necessary items by the final due date.
9. However, claimant filed a subsequent, disability-based MA/SDA application on October 28, 2010.
10. By the time claimant's MA/SDA hearing date arrived (1/12/11), the Social Security Administration (SSA) determined claimant was disabled with disability onset established as of September 6, 2010, but not earlier.
11. Claimant submitted this Fully Favorable Decision at hearing (Client Exhibit A, pgs 1-8).

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).

The State Disability Assistance (SDA) program which provides financial assistance for disabled persons is established by 2004 PA 344. The Department of Human Services (DHS or department) administers the SDA program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3151-400.3180. Department policies are found in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

In Michigan, the SSA's determination of disability onset is binding for MA eligibility purposes. The same standard is applied in SDA cases. In the present case, evidence of the favorable SSA decision conclusively establishes claimant met the federal disability standard necessary to qualify for MA/SDA pursuant to BEM Items 150 and 260 as of September 6, 2010, but not earlier. Consequently, claimant's May 4, 2010 MA/SDA application must be denied at the threshold level based on lack of disability status between May and August, 2010.

Lastly, even if a substantive decision on the department's denial of claimant's disputed application based on failure to timely return verifications was required, claimant would be unsuccessful in prevailing. Specifically, the department's applicable verification 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. PAM, Item 105, p. 5.

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

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.

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

MA Only

Send a negative action notice when:

201051513/mbm

MBM/db

cc:

