

STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES  
ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER:

[REDACTED]

Reg No. 201052064  
Issue No. 2006  
Case No. [REDACTED]  
Load No. [REDACTED]  
Hearing Date: November 10, 2010  
Genesee 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 November 10, 2010. Claimant personally appeared and testified.

**ISSUE**

Did the department properly deny claimant's December 28, 2009 Medicaid (MA) application based on failure to return requested verification necessary to determine eligibility for program benefits?

**FINDINGS OF FACT**

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

1. On December 28, 2009, claimant's authorized application filing representative [REDACTED] filed an MA application on claimant's behalf (Department Exhibit #1, pgs A-O).
2. On this application, claimant's authorized representative disclosed the existence of a 401K plan as part of claimant's asset portfolio (Department Exhibit #1, pg H).

3. Certain unavoidable delays occurred in processing claimant's application, but the department did retain his filing date.
4. On February 27, 2010, the department mailed claimant and his authorized application filing representative a Verification Checklist (DHS-3503) which requests proof of the existence of claimant's 401K plan and of any money contained within it (Department Exhibit #2).
5. This checklist notified claimant and his authorized application filing representative the necessary verification must be returned no later than March 9, 2010, and also, it states in relevant part:

You must get the proofs to me or call me by the due date above. If you do not, your benefits may be denied, decreased or cancelled (Department Exhibit #2).
6. Claimant's authorized application filing representative made one extension request for submission of acceptable verification which the department granted, thus moving the new submission deadline to March 19, 2010.
7. When this deadline came and went without receipt of the necessary verification, the department's witness testified credibly at hearing both claimant and his authorized application filing representative were notified the application was being denied for failure to verify assets, as previously warned (Department Exhibit #5, pgs 1 and 2) (See also Finding of Fact #5 above).
8. On May 11, 2010, the department received claimant's hearing request protesting this denial; the hearing subsequently was held by conference telephone on November 10, 2010.

### **CONCLUSIONS OF LAW**

The Medical Assistance (MA) program is established by the 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. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference Manual (PRM).

The applicable departmental policy states:

## **AUTHORIZED REPRESENTATIVES**

### **All Programs**

An **Authorized Representative** (AR) is a person who applies for assistance on behalf of the client and/or otherwise acts on his behalf (e.g., to obtain FAP benefits for the group.) An AR is not the same as an Authorized Hearing Representative (AHR) PAM, Item 110, p. 6.

The AR assumes all the responsibilities of a client. See PAM 105. PEM, Item 110, p. 7.

## **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.

At application and redetermination:

- . Thoroughly review all eligibility factors in the case.

Applications and redeterminations must be completed within the standards of promptness. See PAM 115, 210. PAM, Item 105, p. 11.

## **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.

## **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.

The client must obtain required verification, but you must assist if they need and request help. 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.

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

*Exception:* At redetermination, **FAP** clients have until the last day of the redetermination month **or** 10 days, whichever is later, to provide verification. See PAM 210. PAM, Item 130, p. 4.

### **TMAP**

See PEM 647 regarding timeliness standards for TMA-Plus determinations. PAM, Item 130, p. 5.

The evidence of record in this case is clear. Claimant's authorized application filing representative (Advomas) failed to provide acceptable verification of the listed asset despite the department's granting an extension of time to allow Advomas to do so. As such, the department had no alternative but to deny claimant's disputed application on the stated grounds.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the department properly denied claimant's December 28, 2009 MA application based on failure to return requested verification necessary to determine eligibility for program benefits.

Accordingly, the department's action is AFFIRMED.

/S/  
Marlene B. Magyar  
Administrative Law Judge  
For Ismael Ahmed, Director  
Department of Human Services

Date Signed: November 22, 2010

Date Mailed: November 23, 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 receipt 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.

MBM/db

cc:

