

STATE OF MICHIGAN
MICHIGAN ADMINISTRATIVE HEARING SYSTEM
ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

[REDACTED]

Reg. No. 201130371
Issue No. 1038 2006
Case No. [REDACTED]
Hearing Date: May 19, 2011
Oakland County DHS (04)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 May 19, 2011. The claimant appeared and testified. On behalf of Department of Human Services (DHS), [REDACTED] Manager, Specialist, appeared and testified.

ISSUE

Whether DHS properly denied Claimant's application for Family Independence Program (FIP) benefits and Medical Assistance (MA) due to a failure to verify asset information.

FINDINGS OF FACT

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

1. On 10/19/10, Claimant applied for FIP and MA benefits.
2. On 11/15/10, DHS mailed a Verification Checklist to Claimant requesting unspecified bank account information.
3. Claimant failed to verify the bank account information.
4. On 12/2/10, DHS denied Claimant's FIP and MA benefits due to a failure to verify asset information.
5. On 1/6/11, Claimant requested a hearing to dispute the FIP and MA benefit denial.

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 (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 Reference Tables Manual (RFT).

MA provides medical assistance to individuals and families who meet financial and nonfinancial eligibility factors. The goal of the MA program is to ensure that essential health care services are made available to those who otherwise would not have financial resources to purchase them.

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 8 USC 601, *et seq.* DHS administers FIP pursuant to MCL 400.10, *et seq.* and MACR 400.3101-3131. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT).

Assets must be considered in determining eligibility for FIP and most MA categories including all family based MA categories (which applied to Claimant). BEM 400 at 1. DHS is to verify the value of countable assets at application, redetermination and when a change is reported. *Id.* at 35. Cash and bank accounts are assets. *Id.* at 9. It is found that DHS properly required proof of Claimant's bank account information in determining Claimant's FIP and MA eligibility.

A request for program benefits begins with the filing of a DHS-1171 or other acceptable form. BAM 110 at 1. If verifications are needed to process the application, the Verification Checklist (VCL) is used to make the request. BAM 130 at 3. DHS is to inform the client what verification is required, how to obtain it and the due date. *Id.* at 2. DHS must give clients at least ten days to submit verifications. *Id.* at 5. For FIP benefits, DHS is to send a negative action notice when the client either 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. *Id.* For MA benefits, DHS is to send a case action notice when the client indicates refusal to provide a verification, or the time period given has elapsed.

The client must obtain required verification, but DHS must assist if the client needs and requests help. *Id.* at 3. If neither the client nor DHS can obtain verification despite a reasonable effort, DHS is to use the best available information. *Id.*

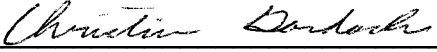
In the present case, it was not disputed that DHS requested a verification of a bank account balance by sending a VCL. It was also not disputed that Claimant failed to respond to the VCL and that DHS denied claimant's application for MA and FIP benefits following the due date on the VCL.

Claimant's excuse for not complying with the DHS request was that she was unable to comply with the verification requests because her vehicle was repossessed shortly after she received the VCL. Claimant credibly stated that all of her DHS documents were in her vehicle when her car was repossessed and that she had no other available transportation to obtain a bank statement. Claimant also testified that she lost the contact information for DHS when her car was repossessed.

Though the undersigned found Claimant's testimony to be credible, it does not excuse Claimant's failure to verify requested information. After losing the VCL, Claimant could have checked a phone book to contact DHS to report what happened. It was not disputed that Claimant made no such efforts. DHS can be lenient in assisting clients with verification requests, but clients have to contact DHS to request the help. Without a request for help, DHS had no basis to believe that Claimant could not comply with the DHS request. It is found that Claimant failed to comply with the DHS verification requests. Accordingly, DHS properly denied Claimant's application for MA and FIP benefits based on Claimant's failure to verify bank account information.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly denied Claimant's FIP and MA benefit application dated 10/19/10. The actions taken by DHS are AFFIRMED.



Christian Gardocki
Administrative Law Judge
For Maura Corrigan, Director
Department of Human Services

Date Signed: May 25, 2011

Date Mailed: May 25, 2011

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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.

CG/ctl

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