

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 2011-43642

Issue No: 2006

[REDACTED]

Ionia County DHS

ADMINISTRATIVE LAW JUDGE: Vicki L. Armstrong

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 received on June 21, 2011. After due notice, a telephone hearing was held on August 18, 2011. Claimant and her [REDACTED] authorized representative personally appeared and provided testimony.

ISSUE

Whether the department properly denied Claimant's Medical Assistance (MA) application for failure to timely provide verification of income?

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 Medicaid and Retro-Medicaid on February 24, 2011. (Hearing Summary).
2. On March 24, 2011, a Verification Checklist was sent to Claimant requesting verification of wages, salaries, tips and commissions from the last 30 days by providing check stubs or earnings statements to the department by April 4, 2011. (Department Exhibits 3-4).
3. On March 24, 2011, the department also mailed Claimant a Notice of Case Action denying Claimant Medicaid from January 1, 2011 through January 31, 2011 because she was not blind, disabled, pregnant or a parent/caretaker relative of a dependent child and did not meet age requirements. The Notice also denied her children MA-Other Health Kids (OHK) due to excess income from January 1, 2011 ongoing. (Department Exhibits 5-6).

4. A Notice of Case Action was mailed to Claimant on April 5, 2011, denying Claimant's Medicaid application from February 1, 2011 ongoing, for failure to verify or allow the department to verify necessary information. (Department Exhibits 1-2).
5. Claimant submitted a hearing request on June 21, 2011, protesting the denial of her Medicaid application. (Request for a Hearing).

### CONCLUSIONS OF LAW

The regulations governing the hearing and appeal process for applicants and recipients of public assistance in Michigan are found in the Michigan Administrative Code, MAC R 400.901-400.951. An opportunity for a hearing shall be granted to an applicant who requests a hearing because his claim for assistance is denied. MAC R 400.903(1). The department will provide an administrative hearing to review the decision and determine the appropriateness. BAM 600.

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 Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT).

Department policy states that Clients must cooperate with the local office in determining initial and ongoing eligibility. This includes completion of the necessary forms. Clients who are able but refuse to provide necessary information or take a required action are subject to penalties. Clients must take actions within their ability to obtain verifications and the department must assist Clients when necessary. BAM 105.

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. BAM 105. Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130.

The department tells the Client what verification is required, how to obtain it, and the due date through the use of the DHS-3503, Verification Checklist, or for MA redeterminations, the DHS-1175, MA Determination Notice. The Client must obtain the required verification, but the department must assist if they need and request help. BAM 130.

For MA, the Client is allowed 10 calendar days (or other time limit specified in policy) to provide the verification requested. If the Client cannot provide the verification despite a reasonable effort, the time limit is extended up to three times. A Notice of Case Action

is sent when the Client indicates refusal to provide a verification, or the time period given has elapsed. BAM 130.

In this case, Claimant applied for Medicaid on February 24, 2011. In reviewing Claimant's medication, the department found Claimant had only submitted one previous paystub for herself and her husband. As a result, the department mailed Claimant the Verification Checklist on March 24, 2011, requesting proof of income for the past 30 days, with a due date of April 4, 2011.

In processing Claimant's application, the department determined that Claimant was not eligible for Medicaid based on her excess income for the time period of January 1, 2011 through January 31, 2011. As a result, the department mailed Claimant the Notice of Case Action on March 24, 2011, informing her she was denied Medicaid. However, the Notice informed Claimant she was denied because she was not a parent/caretaker relative, which the department admitted was in error during the hearing.

When Claimant received the Notice dated March 24, 2011, denying her Medicaid for an improper reason, she believed it was a total denial and focused only on the improper denial and her right to appeal the department's improper decision. At that time, Claimant did not notice the denial was only for the month of January and therefore, did not comply with the Verification Checklist.

As a result of the incorrect reason listed for the denial on the Notice of Case Action, Claimant did not timely submit proof of income. Therefore, the department mailed Claimant a Notice of Case Action on April 5, 2011, denying Claimant's application for Medicaid for failure to verify income. Despite the misunderstanding on Claimant's part, and the department's mistake for the denial reason of retro-Medicaid for the month of January, this Administrative Law Judge finds that the department acted properly by denying Claimant's application for MA benefits because Claimant failed to timely provide the requested verifications.

#### DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department established Claimant did not comply with the requested verification and the department's decision denying Claimant's MA application is UPHELD.

It is SO ORDERED.

/s/

Vicki L. Armstrong  
Administrative Law Judge  
for Maura D. Corrigan, Director  
Department of Human Services

Date Signed: 8/23/11

Date Mailed: 8/23/11

**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.

VLA/ds

■ [REDACTED]