

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2011-54969
Issue No.: 2018
Case No.: [REDACTED]
Hearing Date: December 1, 2011
DHS County: Macomb (50-36)

ADMINISTRATIVE LAW JUDGE: Jonathan W. Owens

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 December 1, 2011, in Sterling Heights. Claimant appeared and testified. [REDACTED] represented Claimant. The Department of Human Services (Department) was represented by [REDACTED] from the Office of Inspector General.

ISSUE

Did the Department properly deny Claimant's application close Claimant's case for:

- | | |
|--|---|
| <input type="checkbox"/> Family Independence Program (FIP)? | <input type="checkbox"/> Adult Medical Assistance (AMP)? |
| <input type="checkbox"/> Food Assistance Program (FAP)? | <input type="checkbox"/> State Disability Assistance (SDA)? |
| <input checked="" type="checkbox"/> Medical Assistance (MA)? | <input type="checkbox"/> Child Development and Care (CDC)? |

FINDINGS OF FACT

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

1. Claimant applied for MA on April 20, 2011.
2. The Department opened Claimant's MA case.
3. On June 11, 2011, the Department issued a verification checklist requesting information to verify household group income and assets.
4. On June 21, 2011, verifications were not returned.

5. On June 22, 2011, the Department met with Claimant's representative regarding case issues.
6. June 22, 2011, Claimant's case was put into closure.
7. On August 31, 2011, Claimant's representative requested a hearing.

CONCLUSIONS OF LAW

Department policies are contained in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), and the Reference Tables Manual (RFT).

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.

In the instant case, the Department initially opened Claimant's MA case. The Department, however, became suspicious of Claimant's living arrangements. The application listed Claimant as married but failed to list his wife was in the home. The Department questioned how Claimant was affording his living arrangement with no income. The application did note that Claimant's daughter paid \$500 per month to Claimant for household costs. Claimant and his representative asserted that Claimant's daughter not only paid this amount but also covered other household costs such as heat, electricity and water. Claimant testified his daughter earned \$70,000 in 2010.

The Department had requested Claimant's tax records. Claimant testified he had not filed taxes since 2008. Claimant has not been employed according to his testimony since 2008. Claimant's spouse owned and operated a business since 2008. Claimant testified he was unaware of his wife's earnings for 2010. Claimant and his representative insisted they were unable to obtain asset and income records for Claimant's spouse as she refused to provide them. Claimant submitted at hearing a copy of his spouse's change of address with the postal office and a driver's license address change effective June 30, 2011. Claimant and his representative asserted this information was provided to the Department. The Department's representative testified the documents were not submitted to the Department.

The Department requested the Office of Inspector General (OIG) check into the case. The OIG agent appeared at the hearing and provided testimony. The OIG agent found Claimant's wife had not changed her address when he conducted an interview. Following the OIG agent's visit, Claimant's spouse changed her address on her driver's license and at the postal service. The OIG agent testified the address being used is a business owned by Claimant's wife. Claimant testified there is an apartment in the building that his spouse is using. The OIG agent testified the building in question is zoned commercial and not residential. The OIG agent further testified he had in the

early 1990's worked as a delivery person and he had delivered packages at this business, he was familiar with the building and, during the 1990's, the building didn't have an apartment. The OIG representative further testified he pulled earnings reported for the daughter for 2010 and these earnings failed to show more than \$10,000 in earnings. In addition, this same daughter has a leased vehicle, the payments for which she is also responsible.

The issue presented is whether or not Claimant cooperated and provided information as requested by the Department. Claimant's testimony is questionable at best. Claimant failed to present documentation that his wife had left the home and the information submitted at hearing, at best, demonstrates an address change effective June 30, 2011.

This Administrative Law Judge finds Claimant to be less than truthful regarding his living arrangement and how he is supporting himself. Claimant would have this court believe a family is surviving on \$500 per month and utilities being covered. The family receives no other State assistance. Claimant expects this court to believe he is aware of his daughter's earnings but not aware of his spouse's. These inconsistencies discovered by the Department more than validate the Department's request for information. Claimant was given adequate time to provide documentation and failed to provide the requested information in a timely manner.

Based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, the Administrative Law Judge concludes that the Department properly closed Claimant's MA case.

DECISION AND ORDER

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, finds that the Department did act properly. did not act properly.

Accordingly, the Department's MA decision is AFFIRMED for the reasons stated on the record.



Jonathan W. Owens
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: December 12, 2011

Date Mailed: December 12, 2011

NOTICE: Michigan Administrative Hearing System (MAHS) 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. MAHS 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. (60 days for FAP cases)

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.

Claimant may request a rehearing or reconsideration for the following reasons:

- A rehearing **MAY** be granted if there is newly discovered evidence that could affect the outcome of the original hearing decision.
- A reconsideration **MAY** be granted for any of the following reasons:
 - misapplication of manual policy or law in the hearing decision,
 - typographical errors, mathematical error, or other obvious errors in the hearing decision that effect the substantial rights of the claimant:
 - the failure of the ALJ to address other relevant issues in the hearing decision.

Request must be submitted through the local DHS office or directly to MAHS by mail at
Michigan Administrative Hearings
Reconsideration/Rehearing Request
P. O. Box 30639
Lansing, Michigan 48909-07322

JWO/pf

cc:

