

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

IN THE MATTER OF:

[REDACTED]
[REDACTED]
[REDACTED]

Reg. No: 201117808
Issue No: 2006, 5008
Case No: [REDACTED]

Hearing Date:
May 5, 2011
Shiawassee County DHS

ADMINISTRATIVE LAW JUDGE: Kevin Scully

HEARING DECISION

This matter is before the undersigned Administrative Law Judge by authority of MCL 400.9 and MCL 400.37. Claimant's request for a hearing was received on January 19, 2011. After due notice, a telephone hearing was held on Thursday, May 5, 2011.

ISSUE

Whether the Department of Human Services (Department) properly determined the Claimant's Medical Assistance (MA) and State Disability Assistance (SDA) eligibility?

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 November 8, 2011, the Department received the Claimant's application for Medical Assistance (MA) and State Disability Assistance (SDA).
2. On December 10, 2010, the Department sent the Claimant a Verification Checklist (DHS-3503) with a due date of December 20, 2010. The Department requested that the Claimant provide verification of her self-employment income.
3. On December 14, 2010, the Department granted the Claimant's request for a ten-day extension to the due date to submit verification of her income.

4. On December 14, 2010, the Claimant submitted a copy of a bank statement.
5. On January 6, 2011, the Department notified the Claimant that it had denied her application for Medical Assistance (MA) and State Disability Assistance (SDA) for failure to provide information necessary to determine her eligibility to receive benefits.
6. The Department received the Claimant's request for a hearing on January 19, 2011, which was 13 days after the Department sent its notice of case action, protesting the denial of her application for Medical Assistance (MA) and State Disability Assistance (SDA).

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 Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM).

The State Disability Assistance (SDA) program which provides financial assistance for disabled persons is established by 2004 PA 344. The Department of Human Services (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 Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), Reference Table Manual (RFT).

Clients must cooperate with the local office in determining initial and ongoing eligibility. This includes the completion of necessary forms. BAM 105. Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. BAM 130. Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level when it is required by policy, required as a local office option, or information regarding an eligibility factor is unclear, inconsistent, incomplete, or contradictory. BAM 130. The Department uses documents, collateral contacts, or home calls to verify information. BAM 130. A collateral contact is a direct contact with a person, organization, or agency to verify information from the client. BAM 130. When documentation is not available, or clarification is needed, collateral contact may be necessary. BAM 130.

Clients are allowed ten calendar days to provide the verifications requested by the Department. BAM 130. The Department should send a negative action notice when the client indicates a refusal to provide the verification, or the time period provided has lapsed and the client has not made a reasonable effort to provide it. BAM 130. The Department should extend the time limit no more than once if the client cannot provide the verification despite a reasonable effort. BAM 130.

In this case, the Department received the Claimant's application for Medical Assistance (MA) and State Disability Assistance (SDA) on November 18, 2011. On December 10,

2010, the Department sent the Claimant a Verification Checklist (DHS-3503) with a due date of December 20, 2010. The Department requested that the Claimant provide verification of her self-employment income. On December 14, 2010, the Department granted the Claimant's request for a ten-day extension to the due date to submit verification of her income. On January 6, 2011, the Department notified the Claimant that it had denied her application for Medical Assistance (MA) and State Disability Assistance (SDA).

The Claimant submitted a copy of a bank statement on December 14, 2010. The Claimant argued that she had submitted verification of her income before the extended due date.

The Department's notice to the Claimant requesting that she submit verification of her self employment income instructs the Claimant to submit recent business receipts to date, recent accounting or other business records to date, or a recent income tax return. Instead of submitting one of these three items, the Claimant submitted a printout of a bank account statement. This printout is not labeled as self-employment income, and is not descriptive enough to verify self-employment income and expenses.

The Verification Checklist contains instructions to the Claimant to call her caseworker right away if she had any questions or problems getting the required verification documents. The Department has not records of receiving further communications from the Claimant before the due date had passed. On January 6, 2011, the Department had not received the required verification documents and the Claimant had not requested an additional extension to the due date.

The Claimant requested and was granted an extension to submit the required verification documents. The Claimant had the opportunity to have the Department clarify what material was required to determine her eligibility to receive benefits.

Based on the evidence and testimony available during the hearing, the Department has established that it properly denied the Claimant's application for Medical Assistance (MA) and State Disability Assistance (SDA) for failure to provide information necessary to determine her eligibility to receive benefits.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Department acted in accordance with policy in determining the Claimant's Medical Assistance (MA) and State Disability Assistance (SDA) eligibility.

The Department's Medical Assistance (MA) and State Disability Assistance (SDA) eligibility determination is AFFIRMED. It is SO ORDERED.

/s/ _____
Kevin Scully
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: May 20, 2011

Date Mailed: May 23, 2011

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 60 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.

KS/tg

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