

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

**IN THE MATTER OF:**

Issue

[REDACTED]

Reg

Case

Hearing

[REDACTED]

Wayne

No: 2011-31902

No: 2006

No: [REDACTED]

Date:

June 20, 2011

County DHS-82

**ADMINISTRATIVE LAW JUDGE:** Aaron McClintic

**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 June 20, 2011. The Claimant appeared and testified. [REDACTED] ES and [REDACTED] FIM appeared on behalf of the Department.

**ISSUE**

Was the Department correct in closing Claimant's MA case for failing to return verifications?

**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 Medical Assistance.
- (2) A verification checklist was sent to Claimant on February 5, 2011 with a February 15, 2011 due date.
- (3) A verification checklist was sent to Claimant on February 15, 2011 with a February 25, 2011 due date.
- (4) Claimant submitted verifications regarding the liquidation of his retirement account.

- (5) The Department requested that Claimant send verifications regarding where the proceeds from his retirement account were spent in the February 15, 2011.
- (6) Claimant spoke with his case worker and informed her that most of the bills in question were with his tax preparer and he did not have access to the bills.
- (7) Claimant's MA case was denied on March 2, 2011 for failing to return verifications.
- (8) Claimant requested a hearing on April 10, 2011 contesting the denial of his Medicaid application.

### **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 Program Reference Manual (PRM). The Medical Assistance program was designed to assist needy persons with medical expenses.

Clients must cooperate with the local office in determining initial and ongoing eligibility to provide verification. BAM 130, p. 1. The questionable information might be from the client or a third party. *Id.* \_\_\_ The Department can use documents, collateral contacts or home calls to verify information. *Id.* The client should be allowed 10 calendar days to provide the verification. If the client cannot provide the verification despite a reasonable effort, the time limit to provide should be extended at least once. BAM 130, p.4; BEM 702. If the client refuses to provide the information or has not made a reasonable effort within the specified time period, then policy directs that a negative action be issued. BAM 130, p. 4.

In the present case, the Department requested verifications regarding how Claimant's retirement account proceeds were spent in the February 15, 2011 checklist. Claimant spoke to [REDACTED] his case worker on March 2, 2011 and informed her many of the bills in question were with his tax preparer, there was also discussion about the issue of whether the withdrawal would be subjected to a penalty and about how that issue remained unresolved. Claimant did not specifically request an extension, but it was implicit in the conversation with his worker on March 2, 2011 that he needed more time to gather the information they were requesting. In addition, issues were raised at hearing both by the Claimant and the Department regarding why the Claimant's advocate from the

hospital did not submit hospital bills paid by Claimant with proceeds from his retirement account.

This Administrative Law Judge cannot find that Claimant refused to cooperate or failed to make a reasonable effort to cooperate. This Administrative Law Judge finds that Claimant was sufficiently cooperative. Therefore the Department was incorrect to close Claimant's MA case for failing to return verifications. BAM 130

**DECISION AND ORDER**

Therefore based on the forgoing findings of fact and conclusions of law it is ORDERED that the Department decision to close Claimant's MA case for failing to return verifications is REVERSED. Claimant's MA case shall be reinstated and reprocessed going back to the date of closure. Claimant shall be given an opportunity to provide documentation regarding where the proceeds from his retirement account were spent.

Aaron   
Administrative McClintic  
Law Judge  
For Maura Corrigan, Director  
Department of Human Services

Date Signed: July 1, 2011

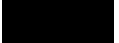
Date Mailed: July 1, 2011

**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.

AM/ctl

cc:   
Wayne County DHS (82)/1843

A.  McClintic  
Administrative Hearings