

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201137506
Issue No.: 2000; 4000
Case No.: [REDACTED]
Hearing Date: August 17, 2011
Wayne County DHS (76)

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 August 17, 2011 from Detroit, Michigan. The claimant appeared and testified. [REDACTED] also appeared and testified on behalf of Claimant. On behalf of Department of Human Services (DHS), [REDACTED], Manager, and [REDACTED], Specialist, appeared and testified.

ISSUE

Whether DHS properly denied Claimant's application requesting Medical Assistance (MA) and State Disability Assistance (SDA) benefits.

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 5/18/11, Claimant applied for Food Assistance Program (FAP), MA and SDA benefits.
2. On an unspecified date, Claimant stopped receiving employment income.
3. On an unspecified date, DHS denied Claimant's FAP, MA and SDA application due to an alleged failure by Claimant to verify a stoppage in employment income.
4. On 6/8/11, Claimant requested a hearing to dispute the denial of FAP, MA and SDA benefits.

5. On an unspecified date, DHS verified the employment income stoppage and reinstated Claimant's application for FAP benefits.
6. Claimant no longer has a dispute concerning FAP benefits.
7. DHS conceded that DHS erred in failing to reinstate Claimant's application requesting MA and SDA benefits.

CONCLUSIONS OF LAW

The SDA program which provides financial assistance for disabled persons is established by 2004 PA 344. The Department of Human Services (formerly known as the Family Independence Agency) 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) and the Reference Tables Manual (RFT).

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). DHS 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 undersigned will refer to the DHS regulations in effect as of 6/2011, the estimated month of the DHS decision which Claimant is disputing. Current DHS manuals may be found online at the following URL: <http://www.mfia.state.mi.us/olmweb/ex/html/>.

A request for program benefits begins with the filing of a DHS-1171 or other acceptable form. BAM 110 at 1. Before processing an application, DHS may require a client to verify information within their application. Verification is usually required at application. BAM 130 at 1. DHS must give clients at least ten days to submit verifications. *Id.*

For all programs, DHS must request verifications when required by policy. BAM 130 at 1. Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. BAM 130 at 1.

For MA benefits, DHS is to allow the client 10 calendar days (or other time limit specified in policy) to provide requested verification. *Id.* at 5. If the client cannot provide

the verification despite a reasonable effort, extend the time limit up to three times. *Id.* For SDA benefits, DHS is to send a negative action notice when the client indicates a 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.*

In the present case, DHS originally denied Claimant's application for FAP, MA and SDA benefits due to an alleged failure by Claimant to verify a stoppage in employment income. The DHS Hearing Summary indicated there was some trouble in contacting Claimant's former employer; once successful contact was made and DHS verified the employment income stoppage, DHS reinstated Claimant's application for FAP benefits.

The DHS prepared Hearing Summary indicated that the SDA was also reinstated and was awaiting a determination concerning whether Claimant was disabled. No mention was made of Claimant's MA benefits in the Hearing Summary. The DHS witnesses indicated that Claimant's SDA and MA benefit application was not reinstated.

No evidence was provided by DHS to justify failing to reinstate the SDA and MA benefit application as was indicated in the Hearing Summary. Thus, the most logical explanation for the DHS failure to reinstate Claimant's MA and SDA benefit application was DHS error.

The DHS representatives proposed that Claimant's application for MA and SDA benefits should be reinstated, as there is no apparent basis to justify the denial. Claimant agreed to the proposal by DHS. As the proposed settlement between the parties appears to comply with DHS regulations, the undersigned accepts the settlement as an acceptable resolution for Claimant's dispute.

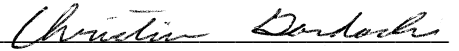
DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law and by agreement of the parties, finds that DHS improperly denied Claimant's application dated 5/18/11 for SDA and MA benefits. It is ordered that DHS:

- (1) reinstate Claimant's application dated 5/18/11 for SDA and MA benefits; and
- (2) process Claimant's SDA and MA requests in accordance with DHS regulations.

201137506/CG

The actions taken by DHS are REVERSED.


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

Date Signed: August 18, 2011

Date Mailed: August 18, 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 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/hw

cc:

A large black rectangular redaction box covering several lines of text in the cc field.