

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 2011-41827  
Issue No.: 2006  
Case No.: [REDACTED]  
Hearing Date: August 29, 2011  
DHS County: Wayne (82-35)

**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, a telephone hearing was held on August 29, 2011, in Detroit, MI. Claimant's representative, [REDACTED], appeared and testified on behalf of Claimant who was not present. The Department of Human Services (Department) was represented by [REDACTED] and [REDACTED].

**ISSUE**

Whether the Department properly denied Claimant's application for Medical Assistance (MA) for failure to provide 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. On December 23, 2010, Claimant's representative applied for MA.
2. On January 20, 2011, a verification checklist was sent out to Claimant requesting verifications with a due date of January 31, 2011.
3. On January 31, 2011, a request for extension with a new proposed due date of February 10, 2011, was faxed to the Department. This fax included Claimant's identification, Social Security card, and income verification.
4. On February 10, 2011, Claimant's representative requested another extension.

5. On February 18, 2011, a third request for extension was requested with a proposed due date of March 2, 2011.
6. On March 1, 2011, Claimant's representative faxed a letter and attached a copy of Claimant's real estate and indicated that Claimant had no bank accounts.
7. On June 3, 2011, the Department denied Claimant's application for MA.
8. On June 7, 2011, Claimant's representative requested a hearing.

### **CONCLUSIONS OF LAW**

The 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 administers MA 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 Bridges Reference Manual (RFT).

In the instant case, the Department denied Claimant's application for MA for failure to provide requested verifications. The Department acknowledges receipt of the January 31, 2011, request for extension. At hearing, the Department indicated they received no additional information or further requests for extension. The Department granted one extension (over 20 days). Claimant's representative provided copies of fax cover sheets and attached correspondence showing additional requests for extension and the final submission of requested documentation on March 1, 2011. The Department indicated they needed asset and income verification. The documents presented by Claimant's representative indicate those documents were, in fact, faxed to the Department by March 1, 2011.

Relevant policy can be found in BAM Item 130, pp. 1-3:

Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements.

Obtain verification when:

- Required by policy. PEM items specify which factors and under what circumstances verification is required.
- Required as a local office option. The requirement must be applied the same for every client. Local requirements may not be imposed for MA, TMA-Plus or AMP without prior approval from central office.
- Information regarding an eligibility factor is unclear, inconsistent, incomplete or contradictory. The

questionable information might be from the client or a third party.

- Verification is usually required at application/re-determination and for a reported change affecting eligibility or benefit level.

Verification is not required:

- When the client is clearly ineligible, or
- For excluded income and assets unless needed to establish the exclusion.

### **Types of Verification**

Use documents, collateral contacts or home calls to verify information.

A document is a written form of verification. It may include a photocopy, facsimile or e-mail copy if the source is identifiable.

Permanent documents must be obtained only once. Examples: birth certificate, passports, divorce papers, death notice.

Nonpermanent documents must be current. Examples: driver's license, pay stub, rent receipt, utility bill, DHS-49.

### **MA Only**

Documents used to verify citizenship and identity may be originals or copies of the original document.

Current means the following:

- Income documents must correspond to the period used to determine eligibility or benefit amount (e.g., patient-pay amount). See BEM 500.
- Medical documents must correspond to the period set by the Medical Review Team (MRT) State Review Team (SRT) or to the date(s) stated on the document if MRT approval is not required.
- Other nonpermanent documents are generally considered current if dated within 60 days before your eligibility determination. Older documents may be used if available information indicates the document remains

current and there have been no changes in circumstances.

A collateral contact is a direct contact with a person, organization or agency to verify information from the client. It might be necessary when documentation is not available or when available evidence needs clarification.

The client must name suitable collateral contacts when requested. You may assist the client to designate them. You are responsible for obtaining the verification. If the contact requires the client's signed release, use the DHS-27, Release of Information, (DHS-20, Verification of Resources, for inquiries to financial institutions), and specify on it what information is requested.

When talking with collateral contacts, disclose only the information necessary to obtain the needed information. Do not disclose specific programs for which the household has applied. Do not release any information supplied by the household or imply that the household is suspected of any wrongdoing.

### **Obtaining Verification**

Tell the client what verification is required, how to obtain it, and the due date (see "Timeliness Standards" in this item). Use the DHS-3503, Verification Checklist, or for MA re-determinations, the DHS-1175, MA Determination Notice, to request verification.

Use the DHS-3503C, Verification Checklist for Citizenship/Identity, to request documentation of citizenship or identity for Medicaid determinations.

The client must obtain required verification, but you must assist if they need and request help.

If neither the client nor you can obtain verification despite a reasonable effort, use the best available information. If no evidence is available, use your best judgment.

The issue here is the Department's extension date. The Department acknowledges granting an extension on the basis of the January 31, 2011, request from Claimant's representative. However, the Department provided no evidence indicating what the new due date was for verifications. The Department simply testified they allowed an

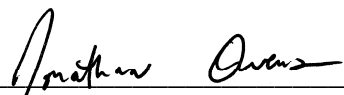
additional 20 days to submit. Claimant's representative asserts they believed the original extension only went until February 10, 2011, and, hence, requested additional extensions as demonstrated by fax confirmations. The Department, when requesting verifications, must not only indicate what is being requested but also the due date for the submission of verifications. Here, the Department acknowledges granting an extension but failed to tell Claimant or his representative a new due date. Claimant's representative has demonstrated multiple requests for extension were made and additional verifications were submitted to the Department.

**DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the Department improperly denied Claimant's MA application dated December 23, 2010, for failure to return verifications.

Accordingly, the Department's decision is hereby REVERSED and the Department is ORDERED to:

1. Re-register Claimant's December 23, 2010 application;
2. Begin reprocessing Claimant's December 23, 2010, MA application in accordance with policy;
3. Make an eligibility determination and advise Claimant and his representative in writing of this determination.

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

Date Signed: August 30, 2011

Date Mailed: August 30, 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.

2011-41827/JWO

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.

JWO/pf

cc:

