

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 201257534
Issue No: 2023
Case No: [REDACTED]
Hearing Date: August 16, 2012
Branch County DHS

ADMINISTRATIVE LAW JUDGE: William A. Sundquist

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 Thursday, August 16, 2012. Claimant appeared with her authorized representative, [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED].

ISSUE

Was Claimant notified of the verification requirements for determining fair market value?

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 19, 2011, Claimant applied for MA-P (3 months retro)(LTC).
2. On March 12, 2012 the application was approved with a divestment period for February 1, 2012 to February 22, 2012. This was based on one out of 5 different fair market value methods: SEV on current [REDACTED] multiplied by two per BEM 400, Page 22.
3. The Department of Human Services (DHS) representative admitted that the Claimant was not put on notice of the different methods available for determining fair market value for the Claimant's real estate, including the Claimant's car sale.

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 Program Administrative Manual (BAM), the Program Eligibility Manual (BEM) and the Program Reference Manual (PRM).

Facts above are undisputed.

VERIFICATION AND COLLATERAL CONTACTS DEPARTMENT POLICY All Programs

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

Obtain verification when:

- . required by policy. BEM 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. BAM, Item 130, p. 1.

LOCAL OFFICE RESPONSIBILITIES All Programs

Ensure client rights described in this item are honored and that client responsibilities are explained in understandable terms. Clients are to be treated with dignity and respect by all DHS employees. BAM, Item 105, p. 8.

Informing the Client All Programs

Inform people who inquire about:

- . the DHS programs available, including domestic violence comprehensive services.
- . their right to apply.

Provide specific eligibility information on any program they are interested. BAM, Item 105, p. 9.

To determine the fair market value of real property and mobile homes use:

- . Deed, mortgage, purchase agreement or contract.
- . State Equalized Value (SEV) on current property tax records multiplied by two.
- . Statement of real estate agent or financial institution.
- . Attorney or court records.
- . County records. BEM 400, Page 22.

Based on the above undisputed facts and DHS policy, Claimant was entitled to know his best method of verification.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that Claimant was not notified of the verification requirements for determining Fair Market Value.

Accordingly, MA-P denial is **REVERSED** and reinstatement of application process is SO ORDERED.

/s/ _____
William A. Sundquist
Administrative Law Judge
For Maura D. Corrigan, Director
Department of Human Services

Date Signed: August 31, 2012

Date Mailed: August 31, 2012

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

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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.

WAS/tb

cc:

