

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2012-2036
Issue No.: 2006
Case No.: [REDACTED]
Hearing Date: March 13, 2012
County: Macomb 12

ADMINISTRATIVE LAW JUDGE: C. Adam Purnell

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 following Claimant's request for a hearing. After due notice, a three-way telephone hearing was held on March 13, 2012, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED]. Participants on behalf of Department of Human Services (Department) included [REDACTED] (Eligibility Specialist).

ISSUE

Did the Department properly close Claimant's Medical Assistance (MA) case for failure to comply with the verification requirements?

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 April 1, 2011, Claimant submitted an application for Medical Assistance alleging disability and also sought retro coverage back to March, 2011.
2. On April 14, 2011, the Department mailed Claimant a Medical Determination Verification Checklist (DHS-3503-MRT), which requested Claimant submit all medical documentation of his disability and verification that he applied for social security disability (RSDI). The DHS-3503 indicated "This is mandatory per our policy BEM 271 . . ." The documents were due no later than April 25, 2011.

3. The Department extended the deadline for Claimant to provide the requested verifications on May 7, 2011; May 17, 2011 and May 28, 2011.
4. Claimant failed to provide verification that he had applied for disability with the Social Security Administration by the May 28, 2011 extended deadline.
5. On June 3, 2011, Claimant's Authorized Hearing Representative (AHR), faxed correspondence to the Department indicating that the AHR was unable to obtain verification of Claimant's Social Security disability application and that all medical records should be submitted to the MRT for determination. The letter further indicates that if the Department is "unable to verify a pending application using [the Department's] resources please go forward with the certification of Medicaid coverage for Retroactive months only . . ."
6. The Department was unable to verify whether Claimant had applied for disability with the Social Security Administration.
7. On June 28, 2011, the Department mailed Claimant a Notice of Case Action (DHS-1605) which approved his Retroactive MA coverage from March 1, 2011 through March 31, 2011, but denied MA coverage following April 1, 2011. The stated reason for denial was Claimant "failed to verify or allow the Department to verify information necessary to determine eligibility for this program [MA]".
8. On September 26, 2011, the Department received a Request for Hearing prepared by Claimant's AHR. The hearing request indicated that Claimant "did not apply for RSDI and does not intend to" and also provides that Claimant should have been found eligible for MA in April, 2011.

CONCLUSIONS OF LAW

Department policies are contained in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), and the Reference Tables Manual (RFT).

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 42 USC 601, *et seq.* The Department (formerly known as the Family Independence Agency) administers FIP pursuant to MCL 400.10, *et seq.*, and Mich Admin Code, R 400.3101 through R 400.3131. FIP replaced the Aid to Dependent Children (ADC) program effective October 1, 1996.

The Food Assistance Program (FAP) [formerly known as the Food Stamp (FS) program] is established by the Food Stamp Act of 1977, as amended, and is implemented by the federal regulations contained in Title 7 of the Code of Federal Regulations (CFR). The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10, *et seq.*, and Mich Admin Code, R 400.3001 through R 400.3015.

The Medical Assistance (MA) program is established by the 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.

The Adult Medical Program (AMP) is established by 42 USC 1315, and is administered by the Department pursuant to MCL 400.10, *et seq.*

The State Disability Assistance (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 2000 AACS, R 400.3151 through R 400.3180.

The Child Development and Care (CDC) program is established by Titles IVA, IVE and XX of the Social Security Act, the Child Care and Development Block Grant of 1990, and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The program is implemented by Title 45 of the Code of Federal Regulations, Parts 98 and 99. The Department provides services to adults and children pursuant to MCL 400.14(1) and Mich Admin Code, R 400.5001 through R 400.5015.

Additionally, Department policy provides that Retro MA coverage is available back to the first day of the third calendar month prior to: (1) the current application for FIP and MA applicants and persons applying to be added to the group; and (2) the most recent application (**not** redetermination) for FIP and MA recipients. BAM 115. Here, Claimant's Retro MA application was filed April 11, 2011. Thus, Claimant's Retro MA coverage is available back to March 1, 2011.

The standard of promptness (SOP) begins the date the department receives an application/filing form, with minimum required information. BAM 115. Here, the Department did not receive the application until April 11, 2011. When the Department mailed Claimant the Verification Checklist on April 14, 2011, the Department acted within the standard of promptness.

BEM 270 provides that state-funded FIP/SDA clients receiving disability-related MA must apply for SSI as a potential resource. Refusal to pursue a potential resource results in group ineligibility. BEM 270. For purposes of MA, refusal to pursue a potential benefit results in person ineligibility. BEM 270.

Verification is usually required upon application or redetermination and for a reported change affecting eligibility or benefit level. BAM 130. Verifications are considered timely if received by the date they are due. BAM 130. The department must allow a client 10 calendar days (or other time limit specified in policy) to provide the requested verification. BAM 130. Should the client indicate a refusal to provide a verification or, conversely, if the time period given has elapsed and the client has not made a

reasonable effort to provide it, the department may send the client a negative action notice. BAM 130.

Here, the issue concerns whether Claimant provided the verifications within the time period. BEM 270 indicates that Claimant was required to apply for disability with the Social Security Administration and provide the Department with verification of same. Per policy, Claimant was required to provide the verifications by the due date (which was extended at least three times). This Administrative Law Judge finds that Claimant could have provided the requested verifications (RSDI application) at some point before the third extended deadline, but Claimant failed to do so. Policy does not provide any reasons why Claimant should be excused from providing the Department with the requested verifications within the deadline.

DECISION AND ORDER

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, finds that the Department

did act properly when the Department denied Claimant's application for MA-disability because Claimant failed to verify or allow the Department to verify information necessary to determine his eligibility.

did not act properly when .

Accordingly, the Department's AMP FIP FAP MA SDA CDC decision is AFFIRMED REVERSED for the reasons stated on the record.

THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

/s/
C. Adam Purnell
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: 3/16/12

Date Mailed: 3/16/12

NOTICE: Michigan Administrative Hearing System (MAHS) 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. MAHS 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. (60 days for FAP cases)

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.

Claimant may request a rehearing or reconsideration for the following reasons:

- A rehearing **MAY** be granted if there is newly discovered evidence that could affect the outcome of the original hearing decision.
- A reconsideration **MAY** be granted for any of the following reasons:
 - misapplication of manual policy or law in the hearing decision,
 - typographical errors, mathematical error, or other obvious errors in the hearing decision that effect the substantial rights of the claimant:
 - the failure of the ALJ to address other relevant issues in the hearing decision.

Request must be submitted through the local DHS office or directly to MAHS by mail at
Michigan Administrative Hearings
Reconsideration/Rehearing Request
P. O. Box 30639
Lansing, Michigan 48909-07322

CAP/ds

