

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 201262860
Issue No: 1005, 2006
Case No: [REDACTED]
Hearing Date: August 8, 2012
Kent County DHS

ADMINISTRATIVE LAW JUDGE: Gary F. Heisler

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 hearing was held on August 8, 2012. Claimant appeared and testified. The Department case worker who had Claimant's case during this period was not present at the hearing. Michigan Administrative Hearing System (MAHS) incorrectly designated this case was having a Food Assistance Program (FAP) issue. Claimant's request for hearing does not include a request about her Food Assistance Program (FAP) benefits.

ISSUE

Did the Department of Human Services properly deny Claimant's for failure to provide required verifications within the time limit?

Did the Department of Human Services properly close Claimant's Medical Assistance (MA) case on July 1, 2012 for failure to return the Redetermination Form (DHS-1010)?

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 was an ongoing recipient of Medical Assistance (MA) and Food Assistance Program (FAP) benefits.
2. On May 10, 2012, Claimant submitted an application for Family Independence Program (FIP) benefits. The application indicated Claimant had no earned income.

3. On May 15, 2012, Claimant was mailed a Redetermination Telephone Interview Form (DHS-574) and a Redetermination Form (DHS-1010) for her Medical Assistance (MA) and Food Assistance Program (FAP) benefits. The forms and verifications were due on June 1, 2012 and an interview was scheduled for June 1, 2012.
4. On May 18, 2012, Claimant was sent a Verification Checklist (DHS Form 3503) regarding her Family Independence Program (FIP) application and her Food Assistance Program (FAP) case. The checklist stated Claimant must verify employment with [REDACTED] by having the Verification of Employment (DHS Form 38) form completed whether she was still working or not. The verification was due on May 29, 2012.
5. On May 22, 2012, a Verification of Employment (DHS Form 38) was printed for verification of Claimant's employment status at the [REDACTED] [REDACTED] verification was due back on June 1, 2012.
6. On June 8, 2012, Claimant was sent a Notice of Case Action (DHS-1605) which stated her Family Independence Program (FIP) application was denied.
7. On June 12, 2012, the May 22, 2012 Verification of Employment (DHS Form 38) was filled out by [REDACTED]. The form indicated that Claimant's employment there had ended on December 6, 2011.
8. On June 18, 2012, Claimant was sent a Notice of Case Action (DHS-1605) which stated her Medical Assistance (MA) case would close on July 1, 2012 because she had not returned the Redetermination Form (DHS-1010).
9. On June 22, 2012, Claimant submitted a request for hearing for Medicaid and Cash Program benefits.

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

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 8 USC 601, *et seq.* The Department of Human Services (DHS or department)

administers the FIP program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3101-3131. The FIP program replaced the Aid to Dependent Children (ADC) program effective October 1, 1996. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference Manual (PRM).

In this case Claimant testified that she did not send in the Redetermination Form (DHS-1010) because her case worker said the Redetermination Form (DHS-1010) was not necessary because of the application she had submitted. The Department representative at the hearing stated the application was only marked for Family Independence Program (FIP) so it could not replace the Redetermination Form (DHS-1010) for the Medical Assistance (MA) and Food Assistance Program (FAP) cases.

The May 18, 2012, Verification Checklist (DHS Form 3503) that was sent to Claimant stated it was for her Family Independence Program (FIP) and Food Assistance Program (FAP) cases. Initial applications for assistance and applications to determine ongoing eligibility are processed differently. However, the May 18, 2012 Verification Checklist (DHS Form 3503) shows that the Department case worker was combining at least some aspects of processing Claimant's case. The fact that Claimant's Department case worker was combining some aspects of processing Claimant's application and re-determination for ongoing benefits gives credibility to Claimant's statement that the case worker told her not to worry about the Redetermination Form (DHS-1010).

The Department representative (not the case worker who was processing Claimant's application and re-determination) also asserts that the required loss of employment verification was not received until July 16, 2012. Claimant testified that she gave the employer the Verification of Employment (DHS Form 38) long before that and asked that they send it in. The verification form at issue was brought into evidence. The form was filled out on June 12, 2012. A fax cover sheet is with the form. The fax cover sheet indicates the form was faxed on June 12, 2012 and has a note that states the form was received by the former employer on June 1. The form in evidence does not show print /stamp information of having been faxed at any time. The form and cover sheet in evidence have a July 16, 2012 Kent DHS Mail Room stamp on them. Claimant submitted her request for hearing on June 22, 2012. On the request she wrote "I turned info in to my old job that you requested about 3 weeks ago. [REDACTED] just now faxed over the info you needed. I told [REDACTED] 2 ½ weeks ago to send/fax ASAP and she did not! I feel that is not my fault. I really thought [REDACTED] would have got it in sooner like I thought."

The evidence in this record definitely shows that the Verification of Employment (DHS Form 38) for verifying loss of employment was not verified given to the former employer until June 1, 2012. The Verification of Employment (DHS Form 38) stated the verification was due on June 1, 2012. For purposes of the Family Independence Program (FIP) application, the application was properly denied because the required

verification was not received by the due date and Claimant had not requested either an extension of time to provide the verification nor assistance in obtaining the verification.

**BAM 130 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.
- 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/redetermination **and** for a reported change affecting eligibility or benefit level.

**Obtaining Verification
All Programs**

Tell the client what verification is required, how to obtain it, and the due date; see [Timeliness of Verifications](#) in this item. Use the DHS-3503, Verification Checklist (VCL), or for MA redeterminations, the DHS-1175, MA Determination Notice, to request verification.

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

**Timeliness of Verifications
FIP, SDA, CDC, FAP**

Allow the client 10 calendar days (**or** other time limit specified in policy) to provide the verification you request.

Verifications are considered to be timely if received by the date they are due. For electronically transmitted verifications (fax, email or Mi Bridges document upload), the date of the transmission is the receipt date.

Verifications that are submitted after the close of regular business hours through the drop box or by delivery of a DHS representative are considered to be received the next business day.

Send a negative action notice when:

- The client indicates refusal to provide a verification, **or**
- The time period given has elapsed and the client has **not** made a reasonable effort to provide it.

Processing the re-determination of Claimant's Medical Assistance (MA) and Food Assistance Program (FAP) eligibility entails different consequences and issues from those associated with processing an initial application. Separate Department policy governs re-determinations.

**BAM 210 REDETERMINATION/EX PARTE REVIEW
DEPARTMENT POLICY
All Programs**

The Department of Human Services must periodically re-determine an individual's eligibility for active programs. The redetermination process includes thorough review of all eligibility factors.

Redetermination, semi-annual and mid-certification forms are often used to re-determine eligibility of active programs. However, the client **must** complete a DHS-1171, Assistance Application, to request a program that is not active at the time of redetermination.

Local offices must assist clients who need and request help to complete applications, forms and obtain verifications; see BAM 130, Obtaining Verification.

**REDETERMINATION PACKET RECEIVED
All Programs**

A redetermination/review packet is considered complete when all of the sections of the redetermination form including the signature section are completed.

When a complete packet is received, record the receipt in Bridges as soon as administratively possible.

If the redetermination is submitted through MI Bridges, the receipt of the packet will be automatically recorded.

Failure to Record Receipt of Redetermination Packet FIP, SDA, and CDC

If the redetermination packet is not logged in by the negative action cutoff date of the redetermination month, Bridges generates a DHS-1605, Notice of Case Action, and automatically closes the EDG.

FAP only

If the redetermination packet is not logged in by the last working day of the redetermination month, Bridges automatically closes the EDG. A DHS-1605 is not generated.

MA only

Benefits are not automatically terminated for failure to record receipt of the redetermination packet.

VERIFICATIONS DEADLINE FIP, SDA, CDC, MA, AMP, and TMAP

Verifications are due the same date as the redetermination/review interview. When an interview is not required, verifications are due the date the packet is due.

Bridges allows clients a full 10 calendar days from the date the verification is requested (date of request is not counted) to provide all documents and information. If the 10th day falls on a weekend or holiday, the verification would not be due until the next business day. Bridges gives timely notice of the negative action if the time limit is **not** met.

COMPLETING THE REDETERMINATION All Programs

To complete the redetermination process, do **all** of the following:

- Obtain a DHS-1171, DHS-1010 or other review document,
- Record packet received by selecting that item from the left navigation in Bridges and entering the date received.
- Review, document and verify eligibility factors as required.
- **Except for Healthy Kids**, check **all** available automated systems matches to see if income has started, stopped or changed, such as consolidated inquiry, SOLQ, etc.

Do not deny or terminate assistance because an employer or other source refuses to verify income; see BAM 130, VERIFICATION AND COLLATERAL CONTACTS and BEM 702, CDC VERIFICATIONS.

- Update data collection by recording changes in circumstances and entering verifications received.
- Run EDBC in Bridges.
- Certify EDBC results if appropriate.
- Review the need for services and other assistance programs.

Bridges generates a verification checklist (VCL) for any missing verifications.

The Notice of Case Action (DHS-1605) which stated Claimant's Medical Assistance (MA) was closing stated the closure was because she failed to return the Redetermination Form (DHS-1010). The policy immediately above describes the process to be used in re-determining eligibility. However, Claimant testified that her case worker (who was not present at the hearing) told her the Redetermination Form (DHS-1010) was not necessary because of the application she had submitted. While policy shows that the worker would be incorrect to combine an initial application and a re-determination, the May 18, 2012, Verification Checklist (DHS Form 3503) sent to Claimant shows that the worker did combine processing of the application and the re-determinations. Claimant will not be penalized for following the direction of her Department case worker.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the Department of Human Services properly deny Claimant's May 10, 2012 application for Family Independence Program (FIP) benefits for failure to provide required verifications within the time limit.

It is ORDERED that the actions of the Department of Human Services, regarding Claimant's May 10, 2012 application for Family Independence Program (FIP) benefits, are UPHeld.

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the Department of Human Services DID NOT properly close Claimant's Medical Assistance (MA) case on July 1, 2012 for failure to return the Redetermination Form (DHS-1010).

It is ORDERED that the actions of the Department of Human Services, regarding Claimant's Medical Assistance (MA) case, are REVERSED.

It is further ORDERED that Claimant's Medical Assistance (MA) be reinstated to July 1, 2012 and any benefits she lost due to the Department's incorrect action will be supplemented.

/s/
Gary F. Heisler
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: August 17, 2012

Date Mailed: August 20, 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 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.

GFH/tb

cc:

