

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

**IN THE MATTER OF:**



Reg. No.: 201328407  
Issue No.: 2006  
Case No.: [REDACTED]  
Hearing Date: June 3, 2013  
County: Wayne DHS (35)

**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 following Claimant's request for a hearing. After due notice, a telephone hearing was held on June 3, 2013, from Detroit, Michigan. Participants included [REDACTED] as Claimant's authorized hearing representative (AHR). Participants on behalf of Department of Human Services (DHS) included [REDACTED], Specialist, and [REDACTED], Specialist.

**ISSUE**

The issue is whether DHS properly denied Claimant's application for Medical Assistance (MA) benefits due to an alleged Claimant failure to submit required medical verifications.

**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 10/11/12, Claimant applied for MA benefits, including retroactive MA benefits from 8/2012.
2. Claimant's application listed an authorized representative (AR).
3. On 11/15/12, DHS mailed Claimant's AR a Verification Checklist- Details (Exhibit 1) print-out.
4. The Verification-Checklist- Details noted a due date to submit verification of: savings account, checking account and pension.

5. On 11/28/12, DHS denied Claimant's MA benefit application due to an alleged failure by Claimant's AR to timely return requested verifications.
6. On 1/30/13, Claimant's AR requested a hearing to dispute the denial of MA 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). 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).

Prior to a substantive analysis, it should be noted that the AHR's hearing request noted that special arrangement were required to participate in the hearing; specifically, AHR asked to appear for the hearing via telephone. Claimant's AHR appeared for the hearing by telephone. Claimant's AHR stated that the special arrangement request was satisfied.

Claimant's AHR (also the AR for Claimant's application) requested a hearing to dispute a denied MA benefit application. It was not disputed that the application was denied due to a failure by Claimant to verify Claimant's pension income. Claimant's AHR responded that DHS failed to provide proper notice of the verification request.

For all programs, DHS is to use the DHS-3503, Verification Checklist to request verification. BAM 130 (5/2012), pp. 2-3. DHS must give clients at least ten days to submit verifications. *Id.*, p. 3 DHS must tell the client what verification is required, how to obtain it, and the due date. *Id.*, p. 2. For MA benefits, if the client cannot provide the verification despite a reasonable effort, DHS is to extend the time limit up to three times. *Id.*, p. 2. DHS is to send a negative action notice when:

- the client indicates refusal to provide a verification, or
- the time period given has elapsed.

*Id.*, p. 6.

DHS eventually conceded that a VCL was not mailed to Claimant's AHR. Instead, DHS mailed a Verification Checklist- Details document (Exhibit 1). DHS contended that the mailing was the functional equivalent of a VCL. The DHS argument is reasonable. The document that DHS mailed listed the requested information needed, gave examples of what documents would satisfy the request and noted a due date for the return of the documents. This evidence is supportive in finding that DHS sufficiently complied with their regulations.

A VCL is known to be in a particular format that is easier to read than what DHS mailed; thus, it would be easy to overlook the mailed document as something other than a verification request. The mailed document was not titled "VERIFICATION CHECKLIST" at the top. It also did not contain standard language outlining the consequences of not complying with the due date. As noted above, DHS is to use a VCL to request

verifications. Interpreting DHS policy as it is written, DHS to use a VCL, not a functional equivalent.

Based on the presented evidence, DHS failed to give proper notice to Claimant's AHR of a verification request. Accordingly, the application denial based on a failure to comply with the verification request is found to be improper.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS improperly denied Claimant's application for MA benefits. It is ordered that DHS:

- (1) reinstate Claimant's application dated 10/11/12, including retroactive MA benefits from 8/2012; and
- (2) process Claimant's application subject to the finding that DHS failed to provide proper notice of a verification request to Claimant's AR.

The actions taken by DHS are REVERSED.



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

Date Signed: 6/24/2013

Date Mailed: 6/24/2013

**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:

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- 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

CG/hw

cc:

