

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 201322170  
Issue No: 2006, 2007  
Case No: [REDACTED]  
Hearing Date: May 30, 2013  
Jackson County DHS

**ADMINISTRATIVE LAW JUDGE:** Suzanne D. Sonneborn

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon Claimant's authorized representative's request for a hearing received by the Department of Human Services (department) on December 26, 2012. After due notice, a telephone hearing was held on May 30, 2013. Claimant's authorized representative, [REDACTED], appeared and provided testimony on Claimant's behalf. The department was represented by [REDACTED], a family independence manager, and [REDACTED], an eligibility specialist, both with the department's Jackson County branch office.

**ISSUE**

Whether the department properly denied Claimant's application for Medicaid and Retroactive Medicaid due to Claimant's request that his assistance be stopped?

**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 July 26, 2012, Claimant's authorized representative, [REDACTED], submitted an application for Medicaid and Retroactive Medicaid (DHS 3243) on Claimant's behalf, seeking medical assistance and retroactive medical assistance coverage for Claimant to June 2012. (Department Exhibit 1)
2. On August 3, 2012, the department mailed Claimant a Verification Checklist (DHS 3503), requesting that Claimant submit a copy of current 30-day paystubs, incurred medical expenses for June and April 2012 and current 30-day bank statements from [REDACTED]

- ██████████. This information was due to the department by August 13, 2013. (Department Exhibit 2)
3. On August 17, 2012, the department mailed Claimant a Verification Checklist (DHS 3503), requesting that Claimant provide verification of his assets and unknown medical expenses. This information was due to the department by August 27, 2013. (Department Exhibit 3)
  4. On August 27, 2012, ██████████ informed the department that they were still attempting to obtain Claimant's asset verification. In doing so, ██████████ requested and was granted an extension of the August 27, 2012 deadline for Claimant's required verifications, with the new deadline, as proposed by ██████████ ██████████ ██████████ ██████████, being September 6, 2012. (Department Exhibit 4)
  5. On September 6, 2012, ██████████ informed the department that they were still attempting to obtain Claimant's bank verification. In doing so, ██████████ requested and was granted an extension of the September 6, 2012 deadline for Claimant's required verifications, with the new deadline, as proposed by ██████████ ██████████ ██████████ ██████████, being September 16, 2012. (Department Exhibit 4)
  6. On September 16, 2012, ██████████ informed the department that they were still attempting to obtain Claimant's bank verification. In doing so, ██████████ requested and was granted an extension of the September 16, 2012 deadline for Claimant's required verifications, with the new deadline, as proposed by ██████████ ██████████ ██████████ ██████████, being September 26, 2012. (Department Exhibit 4)
  7. On September 27, 2012, department worker ██████████ contacted ██████████ and was advised by ██████████ employee ██████████ that ██████████ is no longer pursuing the MA application on behalf of Claimant due to their difficulty obtaining Claimant's cooperation to return the required verifications. (Department Exhibit 5)
  8. On September 28, 2012, Claimant's authorized representative, ██████████, submitted a new application for Medicaid and Retroactive Medicaid (DHS 3243) on Claimant's behalf, seeking medical assistance and retroactive medical assistance coverage for Claimant to June 2012.
  9. On September 28, 2012, the department mailed Claimant a Notice of Case Action (DHS 1605) advising Claimant that his application for Medicaid and Retroactive Medicaid had been denied for the reason that Claimant had requested that his assistance be stopped and for the reason that no group member was an eligible child. (Claimant Exhibit A)

10. On December 26, 2012, Claimant's representative submitted a hearing request protesting the department's denial of Claimant's July 26, 2012 application for Medicaid and Retroactive Medicaid.<sup>1</sup> (Request for a Hearing)

### **CONCLUSIONS OF LAW**

Clients have the right to contest a department decision affecting eligibility or benefit levels whenever it is believed that the decision is incorrect. The department will provide an administrative hearing to review the decision and determine the appropriateness of that decision. Department of Human Services Bridges Administrative Manual (BAM) 600 (2011), p. 1. The regulations governing the hearing and appeal process for applicants and recipients of public assistance in Michigan are found in sections 400.901 to 400.951 of the Michigan Administrative Code (Mich Admin Code). An opportunity for a hearing shall be granted to an applicant who requests a hearing because his claim for assistance is denied. Mich Admin Code R 400.903(1).

The Medical Assistance (MA) program was 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).

Department policy states that clients must cooperate with the local office in determining initial and ongoing eligibility. This includes completion of the necessary forms. Clients who are able but refuse to provide necessary information or take a required action are subject to penalties. Clients must take actions within their ability to obtain verifications and the department must assist clients when necessary. BAM 105.

The department tells the client what verification is required, how to obtain it, and the due date through the use the DHS-3503, Verification Checklist, or for MA redeterminations, the DHS-1175, MA Determination Notice, to request verification. BAM 130. The local office must assist clients who ask for help in completing forms (including the DCH-0733-D) or gathering verifications. Particular sensitivity must be shown to clients who are illiterate, disabled or not fluent in English. BAM 105. Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130.

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<sup>1</sup> While the hearing request submitted by ██████████ protested the department's denial of Claimant's July 26, 2012 application for MA and Retroactive Medicaid because Claimant was an eligible child and because Claimant did not withdraw his application, at the hearing, ██████████ representative ██████████ indicated that their challenge was based solely on the department's denial of Claimant's application based on Claimant's request that his application be withdrawn.

For MA, the client is allowed 10 calendar days (or other time limit specified in policy) to provide the verification requested. If the client cannot provide the verification despite a reasonable effort, the time limit is extended up to three times. BAM 130. A Notice of Case Action is sent when the client indicates a refusal to provide a verification, or the time period given has elapsed. BAM 130.

Department policy further provides that a client or a client's authorized representative may withdraw the application at any time before it is disposed. BAM 110. However, if a client has an authorized representative, the client must first revoke the authorized representative's authorization to represent the client before the client may withdraw the application. BAM 110. The department must thereafter document the withdrawal request in Bridges. BAM 110. To confirm it, Bridges will automatically generate a notice of case action to the client. The client may reapply any time. BAM 110.

In this case, on July 26, 2012, Claimant's authorized representative submitted an application for Medicaid and Retroactive Medicaid on Claimant's behalf, seeking retroactive medical assistance coverage for Claimant back to June 2012. Thereafter, on August 3, 2012 and on August 17, 2012, the department mailed Claimant two Verification Checklists, requesting verification of Claimant's bank account, wages, medical expenses, and assets. Thereafter, from August 27, 2012 through September 16, 2012, Claimant's authorized representative sought and was granted three extensions of the due dates for submitting the requested verification information. In granting the third and final extension on September 16, 2012, the department required Claimant to submit, by no later than the close of business on September 26, 2012, Claimant's bank verification. And because Claimant's authorized representative, [REDACTED], ultimately advised the department on September 27, 2012, through a telephone call between department worker [REDACTED] and [REDACTED] employee [REDACTED], that [REDACTED] was no longer pursuing the MA application on behalf of Claimant due to their difficulty obtaining Claimant's cooperation to return the required verifications, the department denied Claimant's application on September 28, 2012 based on Claimant's request that assistance be stopped.

At the May 30, 2013 hearing, the department's representative, [REDACTED], testified that the department's denial of Claimant's application on September 28, 2012 followed a telephone conversation that Ms. [REDACTED] had with [REDACTED] employee [REDACTED], which Ms. [REDACTED] subsequently documented in Bridges, wherein Ms. [REDACTED] advised her that [REDACTED] is no longer pursuing the MA application on behalf of Claimant due to their difficulty obtaining Claimant's cooperation to return the required verifications.

In response, Claimant's representative, [REDACTED] representative [REDACTED], testified that the department improperly denied Claimant's July 26, 2012 application for Medicaid and Retroactive Medicaid because, contrary to Ms. [REDACTED]'s testimony, [REDACTED] did not withdraw Claimant's application as indicated in the department's September 28, 2012 Notice of Case Action. [REDACTED] employee

██████████ did not attend the hearing – however, Mr. ██████ read into the record a notation in the file maintained by ██████████ on Claimant’s application, indicating that Ms. ██████ had a conversation with Ms. ██████ on September 27, 2012 regarding the outstanding verification due on Claimant’s application. While these notes did not explicitly indicate that Ms. ██████ advised Ms. ██████ on September 27, 2012 that ██████████ was withdrawing Claimant’s July 26, 2012 application, Mr. ██████ acknowledged that ██████████ did in fact file a new application on Claimant’s behalf on September 28, 2012, seeking Medicaid and Retroactive Medicaid.

Testimony and other evidence must be weighed and considered according to its reasonableness. *Gardiner v Courtright*, 165 Mich 54, 62; 130 NW 322 (1911); *Dep’t of Community Health v Risch*, 274 Mich App 365, 372; 733 NW2d 403 (2007). Moreover, the weight and credibility of this evidence is generally for the fact-finder to determine. *Dep’t of Community Health*, 274 Mich App at 372; *People v Terry*, 224 Mich App 447, 452; 569 NW2d 641 (1997).

This Administrative Law Judge has carefully considered and weighed the testimony and other evidence in the record and finds that, based on the competent, material, and substantial evidence presented during the May 30, 2013 hearing, specifically the fact that Claimant’s authorized representative withdrew Claimant’s July 26, 2012 application for Medicaid and Retroactive Medicaid on September 27, 2012, as evidenced by both the department’s Bridges’ documentation and the fact that Claimant’s authorized representative *reapplied* for Medicaid and Retroactive Medicaid on Claimant’s behalf on September 28, 2013, before receiving the department’s September 28, 2012 Notice of Case Action denying Claimant’s July 26, 2012 application, the department acted in accordance with policy in denying Claimant’s July 26, 2012 application for Medicaid and Retroactive Medicaid based on Claimant’s request that his assistance be stopped.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department acted in accordance with policy in denying Claimant’s July 26, 2012 application for Medicaid and Retroactive Medicaid based on Claimant’s request that his assistance be stopped. The department’s actions in this regard are therefore **UPHELD**.



It is SO ORDERED.

/s/

Suzanne D. Sonneborn  
Administrative Law Judge  
for Maura D. Corrigan, Director  
Department of Human Services

Date Signed: May 31, 2013

Date Mailed: June 3, 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.

The Claimant may appeal this 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 errors, or other obvious errors in the hearing decision that affect the substantial rights of Claimant;
  - The failure of the ALJ to address other relevant issues in the hearing decision.

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A request for a rehearing or reconsideration must be submitted through the local DHS office or directly to MAHS by mail at:

Michigan Administrative Hearings System  
Reconsideration/Rehearing Request  
P.O. Box 30639  
Lansing, MI 48909-07322

SDS/aca

cc:

