

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2013-34852
Issue No.: 2006
Case No.: [REDACTED]
Hearing Date: July 8, 2013
County: Macomb DHS (12)

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, an in-person hearing was held on July 8, 2013, from Clinton Township, Michigan. Participants included [REDACTED] as Claimant's authorized representative (AHR). Participants on behalf of the Department of Human Services (DHS) included [REDACTED], Specialist, and [REDACTED], Specialist.

ISSUE

The issue is whether Claimant's AHR made reasonable efforts to submit income information for Claimant concerning a Medical Assistance (MA) application.

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 7/2/12, Claimant applied for MA benefits, including retroactive MA benefits from 6/2012.
2. Claimant's application listed the AHR as Claimant's authorized representative (AR).
3. On 7/24/12 DHS mailed a Verification Checklist (VCL) requesting proof of Claimant's retirement income.
4. DHS mailed the VCL to Claimant and an unknown third party, but not to Claimant's AR.

5. On 10/22/12, DHS mailed a Notice of Case Action to Claimant's AHR denying the MA benefit application based on a failure to verify retirement income.
6. On 10/31/12, Claimant's AR/AHR requested an in-person hearing to dispute the denial of MA benefits.

CONCLUSIONS OF LAW

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. DHS regulations are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT).

The present case concerns a denial of an MA application dated 7/24/12, including retroactive benefits from 6/2012. It was not disputed that DHS denied the application due to an alleged failure by Claimant to verify retirement income. It was not disputed that DHS failed to receive retirement income verification by a VCL due date. It was disputed whether DHS gave proper notice to the AR.

An authorized representative (AR) is a person who applies for assistance on behalf of the client and/or otherwise acts on his behalf (for example, to obtain FAP benefits for the group). BAM 110 (1/2011), p. 7. The AR assumes all the responsibilities of a client. *Id.*, p. 8.

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.

It was not disputed that DHS mailed a VCL to Claimant and some unspecified third party. DHS conceded that a VCL was not mailed to Claimant's AR. The DHS Hearing Summary implied that the third party that received the VCL was the AR, not the testifying AHR. This issue was resolved by checking Claimant's application which stated that the AHR was the representative, not the third party (see Exhibit 1).

Based on the presented evidence, it is found that Claimant's authorized representative was also Claimant's AHR. It is further found that DHS failed to provide proper notice of

a request for retirement income from the AR/AHR. Accordingly, the application denial was 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 MA application dated 7/12/12, including retroactive MA benefits from 6/2012; and
- (2) initiate processing of Claimant's application subject to the finding that DHS failed to give proper notice of any verification request to Claimant's authorized representative.

The actions taken by DHS are REVERSED.



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

Date Signed: 7/18/2013

Date Mailed: 7/18/2013

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 affect the substantial rights of the claimant,
 - failure of the ALJ to address other relevant issues in the hearing decision.

2013-34852/CG

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:

