

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2013-36102
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 the above-named Claimant, [REDACTED], Claimant's spouse, testified on behalf of Claimant. Participants included [REDACTED] as Claimant's authorized hearing representative. Participants on behalf of the Department of Human Services (DHS) included [REDACTED], Specialist.

ISSUE

The issue is whether DHS properly denied Claimant's Medical Assistance (MA) application due to a failure to pursue Social Security Administration (SSA) benefits.

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 3/28/12, Claimant applied for MA benefits, including retroactive MA benefits from 2/2012.
2. On 12/18/12, DHS mailed Claimant and Claimant's AHR (who was also Claimant's authorized representative for the application) a Verification Checklist (Exhibit 1) requesting proof of a pursuit of SSA benefits.
3. On 1/10/13, Claimant applied for Retirement, Survivors, Disability Insurance (RSDI) and Supplemental Security Income (SSI) benefits (see Exhibit 4).

4. On 1/15/13, SSA denied SSI benefits to Claimant (see Exhibit 5).
5. Following three extension requests, Claimant was given until 1/28/13 to report and prove pursuit of SSA benefits.
6. On 1/25/13, Claimant's AHR reported to DHS that Claimant reported a scheduled phone interview with SSA on 1/7/13.
7. On 1/31/13, DHS mailed a Notice of Case Action (Exhibit 5) informing Claimant of a denial of MA benefits from the application month.
8. On 3/12/13, Claimant's 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 partial denial of an application for MA benefits. It was not disputed that DHS denied MA benefits to Claimant, starting 3/2012, on the basis that Claimant failed to pursue other benefits.

Clients must apply for benefits for which they may be eligible. BEM 270 (1/2013), p. 1. This includes taking action to make the entire benefit amount available to the group. *Id.* Any action by the client or other group members to restrict the amount of the benefit made available to the group causes ineligibility. *Id.* For MA benefits, RSDI benefits are payable to a wage earner and/or his/her dependents. *Id.*, p. 3. For MA benefits, refusal to pursue a potential benefit results in the person's ineligibility. *Id.*, p. 1.

It was not disputed that DHS mailed Claimant's AHR a VCL on 12/18/12 requesting proof of pursuit of SSA benefits. It was not disputed that Claimant's AHR did not verify that Claimant applied for SSA benefits until 2/4/13. In determining the correctness of the DHS application denial, it must be determined when Claimant's AHR reported that Claimant was pursuing RSDI benefits.

It was not disputed that Claimant's AHR reported to DHS on 1/25/13, via email (see Exhibit 3), that Claimant "indicated that she had a phone interview 1-7-13". The AHR then asked DHS to check their data exchange with SSA to verify that an SSA application was submitted. This reporting by Claimant's AHR is not unequivocal, but is deemed a sufficient reporting to DHS that Claimant applied for SSA benefits.

It must then be determined whether there was a further obligation to verify that an SSA application was filed. A client's statement at application, redetermination or change that the client has applied for the benefit or that the client is not eligible is to be accepted unless the statement is unclear, inconsistent or in conflict with other information. *Id.*, p. 5.

DHS contended that Claimant's reporting was questionable because DHS was unable to verify that Claimant submitted an SSA application from an SOLQ (an available query for DHS specialists from a data exchange with DHS). The DHS contention was not persuasive.

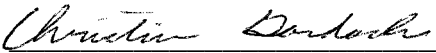
It was not disputed that as of 3/21/13, SOLQ still failed to verify that Claimant applied for SSA benefits on 1/7/13. If a data exchange is so far behind that it cannot verify an SSA application within two months after the application submission, it cannot be relied on as a reliable source for information within three weeks of the application date. It is found that DHS did not have an appropriate basis to mandate verification of Claimant's SSA application based on the failure of SOLQ to verify Claimant's SSA application. Accordingly, it is found that Claimant did not fail to pursue benefits and that the MA 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 application dated 3/28/12; and
- (2) initiate processing of the application subject to the findings that Claimant timely reported pursuit of SSA benefits and that DHS did not have a basis to require verification of pursuit of SSA benefits.

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.

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:

