

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 201345992  
Issue No.: [REDACTED]  
Case No.: [REDACTED]  
Hearing Date: July 10, 2013  
County: Jackson

**ADMINISTRATIVE LAW JUDGE:** Kevin Scully

**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 July 10, 2013, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED] of [REDACTED], as authorized hearings representative. Participants on behalf of Department of Human Services (Department) included [REDACTED] and [REDACTED].

**ISSUE**

Whether the Department of Human Services (Department) properly denied the Claimant's application for Medical Assistance (MA) for failure to provide the Department with information necessary to determine his eligibility to receive benefits?

**FINDINGS OF FACT**

The Administrative Law Judge, based upon the competent, material and substantial evidence on the whole record, finds as material fact:

1. The Claimant applied for Medical Assistance (MA) on December 29, 2011.
2. On January 5, 2012, the Department sent the Claimant a Verification Checklist (DHS-3503).
3. On January 13, 2012, the Claimant's representative notified the Department that the Claimant had no assets to report that required verification.
4. On January 26, 2012, the Department denied the Claimant's application for Medical Assistance (MA) for failure to provide verification of assets.

## **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), Reference Table Manual (RFT), and the Bridges Reference Manual (BRM).

Clients must cooperate with the local office in determining initial and ongoing eligibility. This includes the completion of necessary forms. Department of Human Services Bridges Assistance Manual (BAM) 105 (March 1, 2013), p 5. Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. Department of Human Services Bridges Assistance Manual (BAM) 130 (May 1, 2012), p 1. Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level when it is required by policy, required as a local office option, or information regarding an eligibility factor is unclear, inconsistent, incomplete, or contradictory. BAM 130. The Department uses documents, collateral contacts, or home calls to verify information. BAM 130. A collateral contact is a direct contact with a person, organization, or agency to verify information from the client. BAM 130. When documentation is not available, or clarification is needed, collateral contact may be necessary. BAM 130.

On December 29, 2011, the Department received the Claimant's filing form and the Claimant's request for Medical Assistance (MA). On January 5, 2012, the Department sent the Claimant a Verification Checklist (DHS-3503) requesting that the Claimant provide verification of all assets. On January 13, 2012, the Claimant's representative notified the Department that the Claimant had no assets to report that required verification, and no assets had been reported on the application for assistance.

On January 26, 2012, the Department denied the Claimant's application for assistance for failure to provide verification of assets.

The Department's representative testified that on a previous application for assistance, the Claimant had reported having a bank account, which would be considered a countable asset under Department of Human Services Bridges Eligibility Manual (BEM) 400. The Department's representative testified that the Claimant had a duty to report and verify this asset, or provide verification that the bank account had been closed.

The January 5, 2012, Verification Checklist (DHS-3503) does not specifically request verification of a bank account, but simply requests verification of all assets.

Before the Department determines eligibility, it is required to give clients a reasonable opportunity to resolve any discrepancy between their statements and information from another source. Department of Human Services Bridges Assistance Manual (BAM) 130 (May 1, 2012), p 6.

This Administrative Law Judge finds that a discrepancy exists between the Claimant's application for assistance and the existing records taken from a previous application for assistance, and that the Department failed to give the Claimant a reasonable opportunity to resolve this discrepancy.

Therefore, this Administrative Law Judge finds that the Department failed to establish that it properly denied the Claimant's application for assistance.

**DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Department failed to establish that it properly denied the Claimant's application for assistance registered on December 29, 2011.

The Department's Medical Assistance (MA) eligibility determination is **REVERSED**.

THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Initiate a determination of the Claimant's eligibility for Medical Assistance (MA) as of December 29, 2011.
2. Provide the Claimant with a Notice of Case Action (DHS-1605) describing the Department's revised eligibility determination.
3. Issue the Claimant any retroactive benefits he may be eligible to receive, if any.

/s/  
Kevin Scully  
Administrative Law Judge  
for Maura D. Corrigan, Director  
Department of Human Services

Date Signed: 07/16/2013

Date Mailed: 07/16/2013

**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:
  - 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

KS/sw

cc:

