

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201347763
Issue No.: 2006
Case No.: [REDACTED]
Hearing Date: July 23, 2013
County: [REDACTED]

ADMINISTRATIVE LAW JUDGE: C. Adam Purnell

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 three-way telephone hearing was held on July 23, 2013 from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED] ([REDACTED]), [REDACTED] (Claimant) and [REDACTED] (Claimant's spouse). Participants on behalf of the Department of Human Services (Department) included [REDACTED] (Lead Worker).

ISSUE

Due to a failure to comply with the verification requirements, did the Department properly deny Claimant's application for Medical Assistance (MA)?

FINDINGS OF FACT

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

1. Claimant applied for MA.
2. Claimant was required to submit requested verification by February 4, 2013.
3. On March 5, 2013, the Department mailed Claimant's Authorized Hearing Representative a Notice of Case Action (DHS-1605) which denied Claimant's application.
4. On May 17, 2013, Claimant's Authorized Hearing Representative filed a hearing request, protesting the denial of Claimant's application.

CONCLUSIONS OF LAW

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

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 42 USC 601, *et seq.* The Department (formerly known as the Family Independence Agency) administers FIP pursuant to MCL 400.10, *et seq.*, and 1997 AACS R 400.3101-3131. FIP replaced the Aid to Dependent Children (ADC) program effective October 1, 1996.

The Food Assistance Program (FAP) [formerly known as the Food Stamp (FS) program] is established by the Food Stamp Act of 1977, as amended, and is implemented by the federal regulations contained in Title 7 of the Code of Federal Regulations (CFR). The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10, *et seq.*, and 1997 AACS R 400.3001-3015

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 (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105.

The State Disability Assistance (SDA) program which provides financial assistance for disabled persons is established by 2004 PA 344. The Department (formerly known as the Family Independence Agency) administers the SDA program pursuant to MCL 400.10, *et seq.*, and 1998-2000 AACS R 400.3151-400.3180.

The Child Development and Care (CDC) program is established by Titles IVA, IVE and XX of the Social Security Act, the Child Care and Development Block Grant of 1990, and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The program is implemented by Title 45 of the Code of Federal Regulations, Parts 98 and 99. The Department provides services to adults and children pursuant to MCL 400.14(1) and 1997 AACS R 400.5001-5015.

Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. BAM 130. Verification is usually required upon application or redetermination and for a reported change affecting eligibility or benefit level. BAM 130. Verifications are considered timely if received by the date they are due. BAM 130.

For MA, the client has 10 days to provide requested verifications (unless policy states otherwise). BAM 130. If the client cannot provide the verification despite a reasonable effort, the department worker *may* extend the time limit up to three times. BAM 130. Should the client indicate a refusal to provide a verification or, conversely, if the time

period given has elapsed and the client has not made a reasonable effort to provide it, the department may send the client a negative action notice. BAM 130.

The Department sometimes will utilize a verification checklist (VCL) or a DHS form telling clients what is needed to determine or redetermine eligibility. See Bridges Program Glossary (BPG) at page 47. The department worker must tell the client what verification is required, how to obtain it, and the due date. BAM 130.

Generally speaking, the client is obligated to obtain required verification, but the department worker must assist if the client needs and requests help. BAM 130. If neither the client nor the department worker can obtain verification despite a reasonable effort, the department worker must use the best available information. BAM 130. If no evidence is available, the department worker should use his or her best judgment. BAM 130. Exception: Alien information, blindness, disability, incapacity, incapability to declare one's residence and, for FIP only, pregnancy must be verified. BAM 130.

Policy provides a list of acceptable verification sources for specific eligibility factors in each BEM item. BAM 130. Other, less common sources may be used if accurate and reliable. BAM 130. The department worker may use a particular source if it is the most reliable (public records, data matches). Otherwise, the department worker should use the one easiest to obtain. BAM 130.

Here, the Department maintains that Claimant's application for MA based on disability was denied because Claimant failed to comply with the verification requirements. Specifically, the Department contends that Claimant failed to provide a copy of vehicle title for a 1992 Ford F-150 Truck and when Claimant provided NADA information for a KIA, it was unacceptable. The Department further alleges that Claimant failed to provide savings account verification for Claimant's spouse. Claimant, on the other hand, does not dispute that all requested verifications were not provided. Claimant, through his AHR, argued that the failure to provide verification regarding the 1992 Ford F-150 and the savings account was due to an oversight, but disputed that the NADA statement for the KIA was acceptable verification. Claimant's AHR offered to provide the Department with all requested verifications and asked that the Department reprocess and recertify the application. The Department declined the offer.

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). 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). Moreover, it is for the fact-finder to gauge the demeanor and veracity of the witnesses who appear before him, as best he is able. See, e.g., *Caldwell v Fox*, 394 Mich 401, 407; 231 NW2d 46 (1975); *Zeeland Farm Services, Inc v JBL Enterprises, Inc*, 219 Mich App 190, 195; 555 NW2d 733 (1996).

This Administrative Law Judge has carefully considered and weighed the testimony and other evidence in the record. The salient issue is whether the Department properly denied Claimant's MA application due to failure to comply with the verification requirements. Here, there is no dispute that all requested verifications were due by February 4, 2013 and that Claimant failed to provide the Department with all requested verifications by the due date. The Department granted Claimant's three requests for extension which was permissible under BAM 130. Claimant's AHR who attended the hearing conceded that Claimant failed to provide verifications for the 1992 Ford F-150 and the savings account information for Claimant's spouse. This Administrative Law Judge does not need to address the question of whether the NADA is acceptable to show vehicle ownership. However, the record shows that the Department's verification checklist specifically indicated, "You need to send in copies of titles to all vehicles. You also need to send in proof of the value of the vehicles." This evidence shows that Claimant clearly failed to do so. Based on the competent, material, and substantial evidence presented during the hearing, this Administrative Law Judge finds that the Department properly denied Claimant's application due to failure to comply with the verification requirements.

Based upon the above Findings of Fact and Conclusions of Law, the Administrative Law Judge concludes that the Department properly denied Claimant's application.

DECISION AND ORDER

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, finds that the Department did act properly.

Accordingly, the Department's decision is **AFFIRMED**.

/s/ _____
C. Adam Purnell
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: July 23, 2013

Date Mailed: July 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 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

CAP/aca

cc:

