

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 201346777
Issue No: 2006
Case No: [REDACTED]
Hearing Date: July 24, 2013
DHS SSPC WEST

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 request for a hearing received by the Department of Human Services (department) on May 13, 2013. After due notice, a three-way telephone hearing was held on July 24, 2013. Claimant appeared and provided testimony. The department was represented by [REDACTED], an eligibility specialist with the department's SSPC West office.

ISSUE

Whether the department properly denied Claimant's application for Medical Assistance (MA) benefits due to a failure to verify necessary information?

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 April 1, 2013, Claimant applied for MA benefits.
2. On April 3, 2013, the department mailed Claimant a Verification Checklist (DHS-3503), requesting that Claimant provide verification of the following: (i) checking account; (ii) savings account; (iii) other unearned income. This information was due to the department by April 15, 2013. (Department Exhibit 2)
3. Claimant timely submitted the requested verification of his checking account, but did not submit the requested verification of his savings account or other unearned income.

4. On April 18, 2013, the department mailed Claimant a Notice of Case Action (DHS 1605), informing Claimant that his MA application was denied as he failed to verify or allow the department to verify necessary information. (Department Exhibit 5)
5. On April 28, 2013, Claimant submitted a hearing request protesting the Department's denial of his application for MA benefits. (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).

The department determines a client's eligibility for MA benefits based on, among other things, the client's assets. BEM 400. Effective October 1, 2011, the MA asset limit for a group size of one is \$2,000. BEM 400, pp. 4-5.

Department policy provides that clients must cooperate with the local office in determining initial and ongoing eligibility with all programs. Department policy further provides that clients must take actions within their ability to obtain verifications and Department staff must assist when necessary. BAM 130, BEM 702. Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130. 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. The department should send a negative action notice when (i) the client indicates a refusal to provide a verification; or (ii) the time period given has elapsed and the client has not made a reasonable effort to provide it. BAM 130.

In this case, the department provided Claimant with a Verification Checklist, requesting that Claimant provide verification of his checking and savings accounts as well as the

monthly unearned income he had reported receiving in his January 2013 assistance application. Because Claimant failed to submit verification of his savings account or his unearned income by the April 15, 2013 deadline, the department denied Claimant's MA application on April 18, 2013.

At the July 24, 2013 hearing, Claimant testified that, following his timely submittal of verification of his checking account and before the April 15, 2013 deadline, he left a voicemail with his case specialist, [REDACTED], requesting that she confirm her receipt of his checking account verification and requesting that she advise him if further information was needed and [REDACTED] never returned his call. [REDACTED] acknowledged that Claimant did indeed leave her a voicemail and that she failed to return his call. [REDACTED] further testified, however, that Claimant should have been aware that further information was needed inasmuch as the required verifications were set forth in the Verification Checklist.

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 July 24, 2013 hearing, because Claimant attempted to contact his specialist by the verification deadline if he had any questions or problems obtaining the required proofs, as he was instructed to do in the Verification Checklist, the department did not act in accordance with policy in denying Claimant's application for MA benefits for failure to provide the remaining required verifications without first responding to Claimant's timely call and, if necessary, allowing Claimant up to three extensions of the deadline as required by department policy.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department did not act in accordance with policy in denying Claimant's application for MA benefits for failure to provide the remaining required verifications without first responding to Claimant's timely call and, if necessary, allowing Claimant up to three extensions of the deadline as required by department policy. Accordingly, the department's actions in this regard are **REVERSED** and the department shall immediately reinstate and reprocess Claimant's April 1, 2013 application for MA benefits and issue supplement checks for any months Claimant did not receive the correct amount of such benefits if he was otherwise entitled to them.

It is SO ORDERED.

/s/

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

Date Signed: July 25, 2013

Date Mailed: July 30, 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 effect the substantial rights of Claimant;
 - The failure of the ALJ to address other relevant issues in the hearing decision.

201346777/SDS

Request 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:

