

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

IN THE MATTER OF:



Reg. No.: 2013-57214
Issue Nos.: 2001, 2006
Case No.: [REDACTED]
Hearing Date: August 22, 2013
County: Wayne (82-19)

ADMINISTRATIVE LAW JUDGE: Alice C. Elkin

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 August 22, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED].

ISSUE

Did the Department properly deny Claimant's Adult Medical Program (AMP) 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 April 30, 2013, Claimant applied for AMP.
2. In connection with processing the application, the Department sent Claimant a Verification Checklist, requesting, in relevant part, verification of her checking and savings account and of her end of employment at [REDACTED].
3. On May 31, 2013, Claimant submitted to the Department a Verification of Employment completed by [REDACTED], Claimant's current employer, with a handwritten notation that she was no longer employed by [REDACTED] and a transaction summary for the period from April 1, 2013 to May 31, 2013.
4. On June 21, 2013, the Department denied Claimant's MA application because verification of earned income payment and bank checking account were not returned.

5. On July 2, 2013, Claimant requested a hearing disputing the Department's actions.

CONCLUSIONS OF LAW

Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), and the Reference Tables Manual (RFT).

The Adult Medical Program (AMP) is established by 42 USC 1315, and is administered by the Department pursuant to MCL 400.10, *et seq.*

Additionally, the Department denied Claimant's AMP application because (1) she did not provide verification of end of employment at Leo's and (2) she did not provide a bank statement to verify her current savings and checking accounts.

End of Employment

The Department explained that it sought verification of Claimant's end of employment at Leo's because its system showed that Claimant had previously reported employment at Leo's in 2012. However, because Claimant reported in her application that her only employment was with [REDACTED] verification of end of employment at Leo's was unnecessary unless the Department ran a consolidated inquiry wage match report showing that [REDACTED] reported to the State current wages to Claimant, resulting in a discrepancy with the information reported by Claimant. BEM 500 (January 2013), p. 9; BAM 802 (December 2011), p. 1. In the absence of such discrepancy, the Department did not act in accordance with Department policy when it requested verification of end of employment.

Verification of Checking and Savings Accounts

Individuals seeking AMP must establish that their countable assets do not exceed the AMP \$3,000 asset limit. BEM 640 (October 2012), p. 3; BEM 400 (January 2013), p. 4. Checking and savings accounts are assets, and the value of these accounts is the amount of cash in the accounts. BEM 400, pp. 1, 11, 12. Asset eligibility exists when the asset group's countable assets are less than, or equal to, the applicable asset limit at least one day during the month being tested. BEM 400, p. 4. The Department must verify the value of countable assets at application. BEM 400, p. 43.

In establishing AMP eligibility, the acceptable verification sources for a checking account are the DHS-20 Verification of Assets, the monthly statement, or telephone contact with the institution. BEM 400, p. 44. The acceptable verification sources for a savings account are the DHS-20, passbook with current entries posted, Christmas club coupon book, written statement from the financial institution, and telephone contact with the institution. BEM 400, p. 45. While the BEM item lists acceptable verifications for specific eligibility factors, other less common sources may be used if accurate and reliable. BAM 130 (May 2012), p. 4.

In this case, to verify her checking and savings accounts, Claimant provided the Department with a “transaction summary” on May 31, 2013. While this summary does not identify the financial institution, it clearly shows Claimant’s account history and identifies the “new balance” as of each transaction date between April 1, 2013, and May 31, 2013, which was the information necessary to assess Claimant’s asset eligibility. See BEM 400, p. 5.

The Department did not provide a copy of the VCL showing when the account statements were due, but it did not deny Claimant’s application until June 21, 2013, three weeks after she submitted the verifications. Claimant had the right to request an extension of the VCL due date up to three times if she was unable to provide the requested verification despite a reasonable effort. BAM 130, p. 5. In this case, Claimant credibly testified that she asked her financial institution for assistance with providing the verifications requested by the Department, and she was provided with the transaction summary presented. Thus, Claimant made a reasonable effort to provide the requested verification and, if a different verification was required, the Department should have advised her of what was required and how to obtain it. See BAM 130, p. 2. Under the facts in this case, the Department did not act in accordance with Department policy when it concluded that Claimant had failed to provide adequate verification of her account.


DECISION AND ORDER

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, finds that the Department did not act in accordance with Department policy when it denied Claimant’s AMP application.

Accordingly, the Department’s AMP decision is REVERSED.

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

1. Reregister Claimant’s April 30, 2013, AMP application;
2. Begin reprocessing Claimant’s application in accordance with Department policy and consistent with this Hearing Decision;
3. Provide Claimant with AMP coverage she is eligible to receive, if any, effective April 1, 2013, ongoing; and
4. Notify Claimant in writing of its decision in accordance with Department policy.


Alice C. Elkin
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: August 27, 2013

Date Mailed: August 27, 2013

NOTICE OF APPEAL: 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 or Reconsideration was made, within 30 days of the receipt date of the Decision and Order of Reconsideration or Rehearing Decision.

A Request for Rehearing or Reconsideration may be granted when one of the following exists:

- Newly discovered evidence that existed at the time of the original hearing that could affect the outcome of the original hearing decision;
- Misapplication of manual policy or law in the hearing decision which led to a wrong conclusion;
- Typographical, mathematical or other obvious error in the hearing decision that affects the rights of the client;
- Failure of the ALJ to address in the hearing decision relevant issues raised in the hearing request.

The Department, AHR or the claimant must specify all reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration. A request must be *received* in MAHS within 30 days of the date the hearing decision is mailed.

The written request must be faxed to (517) 335-6088 and be labeled as follows:

Attention: MAHS Rehearing/Reconsideration Request

If submitted by mail, the written request must be addressed as follows:

Michigan Administrative Hearings
Reconsideration/Rehearing Request
P.O. Box 30639
Lansing, Michigan 48909-07322

ACE/pf

cc:

