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

### IN THE MATTER OF:



Reg. No.: 2013-59267

Issue No.: 2012

Case No.:

Hearing Date: November 4, 2013 County: Oakland (63-02)

ADMINISTRATIVE LAW JUDGE: Alice C. Elkin

# **HEARING DECISION**

Following Claimant's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. After due notice, an in-person hearing was held on November 4, 2013, from Madison Heights, Michigan. Participants on behalf of Claimant included

Participants on behalf of the Department of Human Services (Department) included

# **ISSUE**

Did the Department properly process Claimant's Medical Assistance (MA) eligibility for July 1, 2011, ongoing?

### 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 October 10, 2011, Claimant filed an MA application with request for retroactive coverage to July 2011, alleging a disability.
- 2. In a hearing held on November 14, 2012, the presiding Administrative Law Judge reversed the Department's finding that Claimant was not disabled and ordered the Department to reregister the application and determine Claimant's nonmedical eligibility.
- 3. The Department activated coverage for July 1, 2011, through September 30, 2011, but did not issue an MSA-1038 to the Department of Community Health (DCH).

4. On July 11, 2013, the AHR filed a hearing request, requesting that the Department activate Claimant's MA coverage for October 2011 to January 2012 and that the Department submit an MSA-1038 with the DCH for the retroactive months between July 1, 2011, and September 30, 2011.

## **CONCLUSIONS OF LAW**

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

The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act, 42 USC 1396-1396w-5, and is implemented by 42 CFR 400.200 to 1008.59. The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10 and MCL 400.105.

Additionally, the AHR requested a hearing because the Department had failed to process the ALJ's hearing decision from the November 14, 2012, hearing ordering the Department to reregister Claimant's October 2011 MA application and determine his MA nonmedical eligibility.

In its hearing summary, the Department acknowledged that it had not acted in accordance with the hearing decision and indicated that it had requested a Bridges ticket to authorize coverage. However, the Department testified at the hearing that, since the time it had prepared the hearing summary, it had issued a Verification Checklist (VCL) to Claimant and the AHR requesting verification of self-employment income identified in the application, received no response, and denied Claimant's application due to failure to verify. Income, including self-employment income, must be verified in order to process an individual's MA application. See BEM 163 (October 2010), pp. 1-2; BEM 166 (October 2010), pp. 1-2; BEM 500 (January 2011), pp. 1, 9; BEM 502 (January 2011), pp. 5-6.

The AHR denied receiving any VCL or any notice of case action denying the application. The Department failed to present any documentation at the hearing establishing that a Notice of Case Action was sent or that Claimant's eligibility for MA coverage for October 2011 ongoing was processed. The Department also failed to explain why coverage for July 1, 2011, to September 30, 2011, was authorized but no MSA-1038 was issued. Under the facts presented, the Department has failed to satisfy its burden of showing that it acted in accordance with Department policy in complying with the November 14, 2012, hearing decision.

# **DECISION AND ORDER**

Accordingly, the Department's decision is REVERSED.

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

- 1. Reregister Claimant's October 10, 2011, MA application;
- 2. Process the application for Claimant's nonmedical eligibility for MA;
- 3. Provide Claimant with MA coverage he is eligible to receive from July 1, 2011, ongoing;
- Submit an MSA-1038 to DCH to activate Claimant's MA coverage for July 1, 2011, ongoing; and
- 5. Notify Claimant and the AHR in writing of its decision.

Alice C. Elkin

Administrative Law Judge for Maura Corrigan, Director Department of Human Services

Date Signed: November 12, 2013

Date Mailed: November 13, 2013

**NOTICE OF APPEAL:** 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.

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).

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:

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• 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: