

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

**IN THE MATTER OF:**

██████████  
██  
██

Reg. No.: 2013-66931  
Issue Nos.: 2006, 2017  
Case No.: ██████████  
Hearing Date: October 30, 2013  
County: Oakland (63-03)

**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, a telephone hearing was held on October 30, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included ██████████  
██████████

**ISSUE**

Did the Department properly close Claimant's Medical Assistance (MA) and Medicare Savings Program (MSP) cases?

**FINDINGS OF FACT**

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

1. Claimant was an ongoing MSP recipient and had received an MA card.
2. In connection with an MSP and MA redetermination, the Department sent Claimant a Verification Checklist (VCL) on August 20, 2013, requesting a July 2013 statement regarding the bank account into which her Social Security benefits were deposited by August 30, 2013.
3. On August 30, 2013, Claimant submitted (i) a copy of her ██████████ debit card onto which her Social Security benefits were deposited with a hand-written notation of July 2013 deposits and ending balance; (ii) a screen printout from ██████████ showing her status as "active"; and (iii) a request for hearing

explaining that she had contacted [REDACTED], the financial institution on her debit card, who told her that she had to contact customer service listed on the back of the card, and that she had requested a bank statement but had not received one to date and had not been able to access the requested information online.

4. On September 3, 2013, the Department sent Claimant a Notice of Case Action closing her MSP case because she was not disabled, blind, aged, pregnant or recently pregnant, under age 21, or the caretaker of a minor child and because she had failed to verify requested information.

### **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 Department sent Claimant a redetermination concerning her ongoing eligibility for MSP and MA. The Department presented a Notice of Case Action sent to Claimant on September 3, 2013, notifying her that her MSP case was closing effective October 1, 2013. No Notice concerning Claimant's MA case was presented. Although the Department was uncertain whether Claimant had an active MA case, Claimant testified that she had received an MA card and indicated at the hearing that she was concerned about the status of her MSP and MA cases. Therefore, both the MA and MSP programs were addressed the hearing.

Although the September 3, 2013, Notice of Case Action indicated that Claimant's MSP case was due to close because she was not disabled, blind, aged, pregnant or recently pregnant, under age 21, or the caretaker of a minor child and because she had failed to verify requested information, the Department explained that Claimant was, in fact, aged and that the case closed only because of Claimant's failure to verify assets.

Asset eligibility is required for MA coverage under SSI-related MA categories, which apply to individuals over age 65 and include MSP. BEM 400 (July 2013), p. 4; BEM 165 (May 2013), p. 3. For SSI-related MA, the asset limit is \$2,000 for an unmarried individual. BEM 400, p. 6; BEM 211 (November 2012), p. 5.

Because Claimant had disclosed that her Social Security benefits were deposited on a [REDACTED] debit card, the Department requested verification of the account through a statement or verification of assets, DHS-20. The value of money in a client's [REDACTED]

██████████ account is an asset, the value of which is considered in determining a client's SSI-related MA eligibility. BEM 400, pp. 11-12. In order to verify a ██████████ Account, clients must obtain a statement from ██████████, which they may have to pay for. BEM 400, p. 44.

In this case, the Department sent Claimant a VCL on August 20, 2013, requesting verification of a bank account through a July 2013 bank statement and advised her that, if she did not have an account but only a bank card onto which benefits are deposited, she should contact customer service.

At the hearing, Claimant established that she made many attempts to obtain verification of the account. First, she contacted ██████████ whose logo is on the debit card, but they informed her that she had to contact ██████████ customer service. She credibly testified that she then contacted ██████████ customer service and was advised that a statement would be sent to her and arrive within 7 to 10 days. Because she did not want to miss the August 30, 2013, VCL due date, she attempted to obtain online verification of her account status but she could obtain only verification that she had an active account; she was advised by ██████████ customer service that there were problems with the online system.

In response to the VCL, Claimant provided the Department with a screen printout from the ██████████ website showing her active status as well as a copy of the card and a handwritten notation of the July deposits and ending balance. Additionally, she included a written request for hearing in the event the documents were unsatisfactory, outlining the difficulties she had obtaining the document requested by the Department, consistent with her testimony at the hearing.

Clients must obtain required verification, but the Department must assist if they need and request help, and if neither the Department nor the client can obtain verification despite a reasonable effort, the Department must use the best available information or, if **no** evidence is available, its best judgment. BAM 130 (May 2012), p. 3; BAM 105 (March 2013), p. 8. Furthermore, if the client cannot provide the verification despite a reasonable effort, the Department must extend the time limit up to three times. BAM 130 (May 2012), p. 5.

At the hearing, Claimant credibly testified that she consistently called her worker to explain the difficulties she had obtaining the requested documents. While the worker testified that she advised Claimant regarding what steps she should take, there was no evidence that the worker actively attempted to assist Claimant in obtaining the requested documentation. Claimant credibly testified that she received the account statement from ██████████ well after the seven to ten days they had informed her it would take. Under the evidence presented, the Department did not act in accordance with Department policy when it failed to actively assist Claimant with obtaining the evidence or extend the due date.

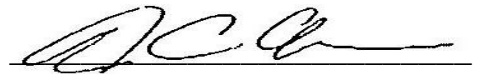
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department did not act in accordance with Department policy when it closed Claimant's MA and MSP cases.

**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. Reinstate Claimant's MA and MSP cases as of September 1, 2013;
2. Reprocess Claimant's MA and MSP redetermination, using the statement Claimant provided at the hearing to establish her asset eligibility;
3. Provide Claimant with MA and MSP coverage she is eligible to receive from September 1, 2013, ongoing; and
4. Notify Claimant in writing of its decision.



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

Date Signed: November 13, 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;
- 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:

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]