

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2013-20503
Issue No.: 1021
Case No.: [REDACTED]
Hearing Date: [REDACTED]
County: Ionia County DHS

ADMINISTRATIVE LAW JUDGE: Kevin Scully

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 [REDACTED], from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED], [REDACTED], and [REDACTED]. Participants on behalf of Department of Human Services (Department) included [REDACTED], [REDACTED], and [REDACTED].

ISSUE

Whether the Department of Human Services (Department) properly determined that the Claimant was not eligible to receive Medical Assistance (MA) due to excess assets?

FINDINGS OF FACT

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

1. The Claimant's representative, [REDACTED] submitted an application on her behalf for Medical Assistance (MA) on [REDACTED].
2. The Claimant's daughter submitted an application on her behalf for Food Assistance Program (FAP) benefits on [REDACTED].
3. On [REDACTED], the Department sent the Claimant a Verification Checklist with a due date of [REDACTED]. The Department requested verification of the Claimant's assets.

4. On [REDACTED], the Department notified the Claimant that it had denied her application for Medical Assistance (MA) due to excess assets.
5. The Department received the Claimant's request for a hearing on [REDACTED], protesting the denial of her Medical Assistance (MA) application.

CONCLUSIONS OF LAW

The Medical Assistance (MA) program is 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), Reference Table Manual (RFT), and the Bridges Reference Manual (BRM).

Clients must cooperate with the local office in determining initial and ongoing eligibility. This includes the completion of necessary forms. Department of Human Services Bridges Assistance Manual (BAM) 105 (March 1, 2013), p 5. Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. Department of Human Services Bridges Assistance Manual (BAM) 130 (May 1, 2012), p 1. Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level when it is required by policy, required as a local office option, or information regarding an eligibility factor is unclear, inconsistent, incomplete, or contradictory. BAM 130. The Department uses documents, collateral contacts, or home calls to verify information. BAM 130. A collateral contact is a direct contact with a person, organization, or agency to verify information from the client. BAM 130. When documentation is not available, or clarification is needed, collateral contact may be necessary. BAM 130.

Before determining eligibility, the Department will give a client a reasonable opportunity to resolve any discrepancy between her statements and information from another source. BAM 130.

In this case, the Claimant's representative [REDACTED], submitted an application on her behalf for Medical Assistance (MA) on [REDACTED]. The Claimant's daughter submitted an application on her behalf for Food Assistance Program (FAP) benefits on [REDACTED].

On [REDACTED], the Department sent the Claimant a Verification Checklist with a due date of [REDACTED]. The Department requested verification of the Claimant's assets. The Department did not dispute the circumstances surrounding the Verification Checklist.

On [REDACTED], the Department notified the Claimant that it had denied her application for Medical Assistance (MA) due to excess assets. The Department based its determination that the Claimant's assets exceeded the limit for the receipt of Medical

Assistance (MA) based on the Claimant's statements contained in her Food Assistance Program (FAP) application.

The Department received two applications for assistance within a short period of time and each of these applications was completed on behalf of the Claimant by an authorized representative. Each of the representatives reported the Claimant's assets differently to the Department on their applications for benefits.

On [REDACTED] which was before the due date of the Verification Checklist, the Department notified the Claimant that it had denied her application for Medical Assistance (MA).

This Administrative Law Judge finds that the Claimant's daughter had more access to the Claimant and her property records. This Administrative Law Judge finds that [REDACTED] is a professional corporation with an extensive amount of experience determining the countable assets of Medical Assistance (MA) applicants.

However, this Administrative Law Judge finds that the Department had no basis for determining that either of the Claimant's authorized hearings representatives was an inherently more reliable source of information necessary to determine her eligibility to receive benefits.

Therefore, this Administrative Law Judge finds that there was a discrepancy between the information on her application for Medical Assistance (MA) and another source, which was the application for Food Assistance Program (FAP) benefits. The Department denied the application for Medical Assistance (MA) not only before taking action to resolve the discrepancy, but denied the Claimant's application before the due date to submit verification documents.

Therefore, this Administrative Law Judge finds that the Department was not acting in accordance with Department of Human Services Bridges Eligibility Manual Item 130 when it denied the Claimant's application for Medical Assistance (MA).

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the Department failed to properly determine that the Claimant's assets exceeded the limit to receive Medical Assistance (MA) benefits.

The Department's Medical Assistance (MA) eligibility determination is **REVERSED**. It is **SO ORDERED**.

1. Allow the Claimant a ten-day period to clarify the value of her countable assets on [REDACTED].
2. Initiate a determination of the Claimant's eligibility for Medical Assistance (MA) as of [REDACTED].

3. Provide the Claimant with a Notice of Case Action (DHS-1605) describing the Department's revised eligibility determination.
4. Issue the Claimant any retroactive benefits she may be eligible to receive, if any.

/s/
Kevin Scully
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: 06/11/2013

Date Mailed: 06/11/2013

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 effect the substantial rights of the claimant:
 - the 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

2013-20503/KS

KS/kl

cc:

