

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 201326692  
Issue No.: 2006  
Case No.: [REDACTED]  
Hearing Date: July 11, 2013  
County: Macomb (12)

**ADMINISTRATIVE LAW JUDGE:** C. Adam Purnell

**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 three-way telephone hearing was held on July 11, 2013 from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED] (Claimant's Authorized Hearing Representative (AHR) Medical Hearing Manager from [REDACTED]). Participants on behalf of the Department of Human Services (Department) included [REDACTED] (Eligibility Specialist).

**ISSUE**

Due to a failure to comply with the verification requirements, did the Department properly deny Claimant's application for Medical Assistance (MA)?

**FINDINGS OF FACT**

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

1. Claimant applied for MA.
2. Claimant was required to submit requested verification by November 5, 2012.<sup>1</sup>
3. On November 7, 2012, the Department denied Claimant's application.
4. On November 7, 2012, the Department sent notice of the denial of Claimant's application.

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<sup>1</sup> This was Claimant's third extension.

5. On January 23, 2013, Claimant filed a hearing request, protesting the denial of Claimant's application.

### **CONCLUSIONS OF LAW**

Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT).

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 42 USC 601, *et seq.* The Department (formerly known as the Family Independence Agency) administers FIP pursuant to MCL 400.10, *et seq.*, and 1997 AACS R 400.3101-3131. FIP replaced the Aid to Dependent Children (ADC) program effective October 1, 1996.

The Food Assistance Program (FAP) [formerly known as the Food Stamp (FS) program] is established by the Food Stamp Act of 1977, as amended, and is implemented by the federal regulations contained in Title 7 of the Code of Federal Regulations (CFR). The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10, *et seq.*, and 1997 AACS R 400.3001-3015

The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105.

The State Disability Assistance (SDA) program which provides financial assistance for disabled persons is established by 2004 PA 344. The Department (formerly known as the Family Independence Agency) administers the SDA program pursuant to MCL 400.10, *et seq.*, and 1998-2000 AACS R 400.3151-400.3180.

The Child Development and Care (CDC) program is established by Titles IVA, IVE and XX of the Social Security Act, the Child Care and Development Block Grant of 1990, and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The program is implemented by Title 45 of the Code of Federal Regulations, Parts 98 and 99. The Department provides services to adults and children pursuant to MCL 400.14(1) and 1997 AACS R 400.5001-5015.

Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. BAM 130. Verification is usually required upon application or redetermination and for a reported change affecting eligibility or benefit level. BAM 130. Verifications are considered timely if received by the date they are due. BAM 130.

For MA, the client has 10 days to provide requested verifications (unless policy states otherwise). BAM 130. For MA only, if the client cannot provide the verification despite a reasonable effort, the department worker *may* extend the time limit up to three times. BAM 130. (With emphasis added.)

Should the client indicate a refusal to provide a verification or, conversely, if the time period given has elapsed and the client has not made a reasonable effort to provide it, the department may send the client a negative action notice. BAM 130.

Here, the record provides a relatively complicated procedural history. On May 29, 2012, Claimant's AHR submitted a May 29, 2012 application for Medical Assistance (MA-P) based on disability and Retro MA-P coverage back to February 2012 on behalf of Claimant. On June 15, 2012, the Department mailed Claimant's AHR a Verification Checklist (DHS-3503) which sought verification information regarding income, self-employment ( [REDACTED] ) from February 2012 through June 2012 as well as DHS-431 and/or 2011 income tax statements. On June 20, 2012, Claimant's AHR requested an extension. The Department extended the verification deadline to July 5, 2012. On July 5, 2012, Claimant's AHR requested another extension until July 15, 2012. The Department granted this extension request and the new deadline was July 15, 2012.

On July 13, 2012, Claimant's AHR requested another extension until July 25, 2012. The record does not reflect whether the Department specifically granted the extension. However, the record contains a Verification Checklist (DHS-3503) that was mailed to Claimant's AHR on October 24, 2012. Interestingly, this DHS-3503 indicates that Claimant's AHR requested a hearing on October 5, 2012.<sup>2</sup> The Department then notes that the application was re-registered but that the Department still seeks the "DHS-431 for the months of February through June 2012 or current income tax statements." The verifications were due no later than November 5, 2012. On November 7, 2012, the Department mailed Claimant's AHR a Notice of Case Action (DHS-1605) which indicated that following the failure to comply with the third and final extension, Claimant's application is denied. The Department denied Claimant's additional request for extension until November 15, 2012. On January 23, 2013, Claimant's AHR requested a hearing.

As provided above, BAM 130 provides that, for MA only, if the client cannot provide the verification despite a reasonable effort, the department worker *may* extend the time limit up to three times. BAM 130. Certainly, this policy does not require the Department grant Claimant three extensions to return verifications. The use of the word "may" permits the Department worker with the discretion to grant three extensions. Here, Claimant had more than three extensions to provide the verifications regarding employment and failed to do so. Claimant may not unilaterally decide whether the Department's verifications sufficiently cover the documentation and/or information necessary to make a determination regarding eligibility. When Claimant failed to return the verifications after

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<sup>2</sup> There was no evidence of an October 5, 2012 hearing request in the record of this case.

repeated requests from the Department, the Department was permitted to deny the application.

Based upon the above Findings of Fact and Conclusions of Law, the Administrative Law Judge concludes that the Department properly denied Claimant's application.

**DECISION AND ORDER**

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, finds that the Department did act properly.

Accordingly, the Department's decision is **AFFIRMED**.

/s/ \_\_\_\_\_  
C. Adam Purnell  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: July 16, 2013

Date Mailed: July 16, 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 affect the substantial rights of the claimant,
  - failure of the ALJ to address other relevant issues in the hearing decision.

201326692/CAP

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

CAP/aca

cc:

