

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2013-44813
Issue No.: 2006
Case No.: [REDACTED]
Hearing Date: July 3, 2013
County: Wayne DHS (18)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 3, 2013, from Detroit, Michigan. Participants included [REDACTED] who testified and appeared as Claimant's Authorized Hearing Representative (AHR). Participants on behalf of the Department of Human Services (DHS) included [REDACTED] Specialist, and [REDACTED], Manager.

ISSUE

The issue is whether DHS properly denied Claimant's application for Medical Assistance (MA) benefits due to an alleged failure to comply with verification requirements.

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 6/28/12, Claimant applied for MA benefits, including retroactive MA benefits from 3/2012.
2. Claimant's application listed an authorized representative (AR) who was also Claimant's AHR.
3. On 4/2/13, DHS mailed Claimant a Medical Determination Verification Checklist (VCL) (Exhibit 1) requesting proof of disability.

4. DHS did not mail the VCL to Claimant's AR/AHR.
5. On 4/26/13, Claimant's AR/AHR requested a hearing to compel processing of Claimant's MA application.
6. On 5/3/13, DHS mailed a Notice of Case Action (Exhibit 2) to Claimant's AR/AHR denying the MA application due to a failure to return proof of disability.

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). DHS 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) and the Reference Tables Manual (RFT).

Prior to a substantive analysis, it should be noted that Claimant's AHR's hearing request noted that special arrangements were required to participate in the administrative hearing; specifically, a three-way hearing was requested. Claimant's AHR's request was granted.

Claimant's AHR requested a hearing to compel the processing of an MA benefit application. It was not disputed that DHS failed to process Claimant's MA benefit application. As it happened, DHS denied the application one week later. During the hearing, both sides stated a preference that the administrative hearing address the issue of whether the application was properly denied because that is the only issue in dispute. In the interest of judicial efficiency, this hearing decision will address the dispute concerning the application denial even though it was not the subject of Claimant's AHR's hearing request.

It was not disputed that DHS denied Claimant's MA benefit application due to an alleged failure by the AR to provide proof of disability. It was also not disputed that Claimant's application for MA benefits listed an AR.

An authorized representative (AR) is a person who applies for assistance on behalf of the client and/or otherwise acts on his behalf (for example, to obtain FAP benefits for the group). BAM 110 (1/2011), p. 7. The AR assumes all the responsibilities of a client. *Id.*, p. 8.

For all programs, DHS is to use the DHS-3503, Verification Checklist to request verification. BAM 130 (5/2012), pp. 2-3. DHS must give clients at least ten days to submit verifications. *Id.*, p. 3 DHS must tell the client what verification is required, how to obtain it, and the due date. *Id.*, p. 2. For MA benefits, if the client cannot provide the verification despite a reasonable effort, DHS is to extend the time limit up to three times. *Id.*, p. 2. DHS is to send a negative action notice when:

- the client indicates refusal to provide a verification, or

- the time period given has elapsed.
Id., p. 6.

DHS presented a VCL (Exhibit 1) dated 4/2/13. The VCL had Claimant's mailing address, not Claimant's AR's address. This is not found to be persuasive evidence that the VCL was mailed to Claimant's AR.

DHS failed to present any documentary evidence verifying that the VCL was mailed to Claimant's AR. Claimant's assigned specialist testified that she mailed the VCL to Claimant's AR. As it happened, the Notice of Case Action (Exhibit 2) was mailed directly to Claimant's AR through Bridges. Bridges is known to be a reliable system of mailing which keeps records of all mailed documents. DHS failed to adequately clarify why the VCL was not mailed through Bridges even though a Notice of Case Action was.

Based on the presented evidence, it is found that DHS failed to mail Claimant's AR a Medical Determination Verification Checklist. Accordingly, the MA denial based on a failure to verify disability is found to be improper.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS improperly denied Claimant's application for MA benefits. It is ordered that DHS:

- (1) reinstate Claimant's MA application dated 6/28/12, including retroactive MA benefits from 3/2012; and
- (2) initiate processing of Claimant's application subject to the finding that DHS failed to properly request verification of disability from Claimant's AR.

The actions taken by DHS are REVERSED.



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

Date Signed: 7/10/2013

Date Mailed: 7/10/2013

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.

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

CG/hw

cc:

