

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201345160
Issue No.: [REDACTED]
Case No.: [REDACTED]
Hearing Date: July 10, 2013
County: Jackson

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 July 10, 2013, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED], as authorized hearings representative. Participants on behalf of Department of Human Services (Department) included [REDACTED].

ISSUE

Whether the Department of Human Services (Department) properly denied the Claimant's application for Medical Assistance (MA) for failure to provide the Department with information necessary to determine his eligibility to receive benefits?

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 applied for Medical Assistance (MA) on November 20, 2012.
2. The Claimant reported owning one automobile, a 1998 Isuzu, on his application for assistance.
3. On a previous application for assistance, the Claimant reported owning a 1998 Jeep.
4. On November 21, 2012, the Department sent the Claimant a Verification Checklist (DHS-3503) requesting additional information about assets.

5. On March 1, 2013, the Department denied the Claimant's application for Medical Assistance (MA).
6. The Department received the Claimant's request for a hearing on May 2, 2013, protesting the denial of his 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.

Assets means cash, any other personal property and real property. Real property is land and objects affixed to the land such as buildings, trees and fences. Condominiums are real property. Personal property is any item subject to ownership that is not real property. Countable assets cannot exceed the applicable asset limit. An asset is countable if it meets the availability tests and is not excluded. Available means that someone in the asset group has the legal right to use or dispose of the asset. Department of Human Services Bridges Eligibility Manual (BEM) 400 (July 1, 2013), pp 1-7.

In this case, the Claimant applied for Medical Assistance (MA) on November 20, 2012. The Claimant reported on his application for assistance that he possessed a 1998 Isuzu.

On November 21, 2012, the Department sent the Claimant a Verification Checklist (DHS-3503) requesting additional information about assets. This form included a comment that the department required a copy of the title to his vehicle.

On March 1, 2013, the Department denied the Claimant's application for Medical Assistance (MA) for failure to provide the Department with information necessary to determine his eligibility to receive benefits.

The Department's records indicated that the Claimant had previously reported owning a 1998 Jeep.

Furthermore, the Claimant provided bank statements as verification of his cash assets that included a reference to a loan on a Jeep.

However, the documents provided by the Department indicate that the loan on the Jeep had been paid off.

The Claimant's representative provided evidence showing that the 1998 Jeep had been totaled in an accident and the Claimant had received a payoff from his insurance company. This Administrative Law Judge finds that this information was not available to the Department on March 1, 2013, and is not relevant to this decision.

The Department's representative argued that the Claimant had a duty to provide verification documents showing the value of the 1998 Jeep, or verification that he no longer possessed this automobile.

Before the Department determines eligibility, it is required to give clients a reasonable opportunity to resolve any discrepancy between their statements and information from another source. Department of Human Services Bridges Assistance Manual (BAM) 130 (May 1, 2012), p 6.

This Administrative Law Judge finds that there is a discrepancy between the Claimant's application for assistance and Department records that indicate the Claimant owns a 1998 Jeep. Based on the evidence and testimony available during the hearing, this Administrative Law Judge finds that the Department failed to establish that it gave the Claimant a reasonable opportunity to resolve this discrepancy before denying his application for assistance.

Therefore, this Administrative Law Judge finds that the Department failed to establish that it properly denied the Claimant's application for assistance.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Department failed to establish that it properly denied the Claimant's November 20, 2012, application for assistance.

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

THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Initiate a determination of the Claimant's eligibility for Medical Assistance (MA) as of November 20, 2012.
2. Provide the Claimant with a Notice of Case Action (DHS-1605) describing the Department's revised eligibility determination.
3. Issue the Claimant any retroactive benefits he may be eligible to receive, if any.

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

Date Signed: 07/16/2013

Date Mailed: 07/16/2013

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 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

KS/sw

cc:

