

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201356443
Issue No.: [REDACTED]
Case No.: [REDACTED]
Hearing Date: August 6, 2013
County: Macomb

ADMINISTRATIVE LAW JUDGE: Gary F. Heisler

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 August 6, 2013. Claimant appeared and testified. Participants on behalf of the Department of Human Services (Department) included [REDACTED].

ISSUE

Did the Department of Human Services properly close Claimant's Medical Assistance (MA) on August 1, 2013, because she failed to provide required verifications?

Did the Department of Human Services properly close Claimant's Food Assistance Program (FAP) on August 1, 2013, because she failed to provide required verifications?

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 was an ongoing recipient of Medical Assistance (MA) and Food Assistance Program (FAP) benefits.
2. On May 14, 2013, Claimant was sent a Redetermination Form (DHS-1010) for her Medical Assistance (MA) and Medicare Cost Share programs.
3. On June 3, 2013, Claimant returned the Redetermination Form (DHS-1010).

4. On June 14, 2013, Claimant was sent a Verification Checklist (DHS-3503) requesting verification of both her checking account and savings accounts. The required verifications were due on June 14, 2013.
5. On June 24, 2013, Claimant returned verification of her checking account and indicated she no longer had a savings account. [REDACTED] telephoned Claimant and explained that the Department needed verification that the savings account was closed.
6. On June 27, 2013, the Department had not received verification that the savings account was closed. Claimant was sent a Notice of Case Action (DHS-1605) which stated her Medical Assistance (MA), Medicare Cost Share and Food Assistance Program (FAP) would close on August 1, 2013.
7. On July 8, 2013, Claimant filed a hearing request along with proper verification that Claimant's savings account was closed.

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 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 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 AACR 400.3001-3015.

Policy regarding verifications for the two programs was different because the status of the programs was different. The Medical Assistance (MA) and Medicare Cost Share were being re-determined toward the end of the annual eligibility certification period but the Food Assistance Program (FAP) was ongoing during an annual certification period.

Medical Assistance (MA)

For the Medical Assistance (MA) and Medicare Cost Share re-determination policy directions are contained in Department of Human Services Bridges Administration Manual (BAM) 210 Redetermination/Ex Parte Review (2013).

BAM 210 page 5 directs that BRIDGES generates a redetermination packet to the client three days prior to the negative action cut-off date in the month before the redetermination is due. Claimant's Medical Assistance (MA) Redetermination Form (DHS-1010) was sent out on May 14, 2013. That fact indicates that the redetermination was due in June 2013. However, the Case- Search/Summary printed from BRIDGES lists July 6, 2012, as the file date for Claimant's Medical Assistance (MA) and Medicare Cost Share program and lists July 31, 2013, as the end of her benefit period for these programs.

Page 8 directs that a redetermination/review packet is considered complete when all of the sections of the redetermination form including the signature section are completed and that when a complete packet is received, the receipt should be recorded in Bridges as soon as administratively possible. In this case Claimant submitted a complete Redetermination Form (DHS-1010) on June 3, 2013, the date it was due. BRIDGES automatically generated a Verification Checklist (DHS Form 3503) and included Claimant's previous savings account because it was already identified in her record.

Page 2 directs that benefits stop at the end of the benefit period unless a redetermination is completed and a new benefit period is certified. Also, the redetermination month is 12 months from the date the most recent complete application was submitted.

The evidence in this record indicates that the certification period for Claimant's Medical Assistance (MA) and Medicare Cost Share program did not end until July 31, 2013. When Claimant submitted the proper verification of her savings account being closed, the redetermination was completed. The Department needs to follow the instructions on page 12 of BAM 210 for completing the redetermination.

Food Assistance Program (FAP)

For the Food Assistance Program (FAP) policy directions are contained in Department of Human Services Bridges Administration Manual (BAM) 220 Case Actions (2013) and Department of Human Services Bridges Administration Manual (BAM) 130 Verification and Collateral Contacts (2012).

BAM 130 provides that the Department should send a negative action notice when the client indicates refusal to provide a verification, or the time period given has elapsed.

BAM 220 page 8 defines closure of an assistance program as a negative action.

BAM 220 page 10 provides that when a client provides information that meets the requirement that caused a negative action, before the negative action effective date, that negative action should be removed. In this case the negative action effective date for Claimant's Food Assistance Program (FAP) program was August 1, 2013. Claimant provided the required verifications on July 8, 2013. The negative action on Claimant's FAP should be removed.

DECISION AND ORDER

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, finds that the Department of Human Services DID NOT properly close Claimant's Medical Assistance (MA) or Food Assistance Program (FAP) on August 1, 2013 because she failed to provide required verifications.

It is ORDERED that the actions of the Department of Human Services, in this matter, are **REVERSED**.

It is further ORDERED that Claimant's Medical Assistance (MA), Medicare Cost Share program and Food Assistance Program (FAP) be reinstated and processed in accordance with Department policy.

/s/
Gary F. Heisler
Administrative Law Judge
For Maura Corrigan, Director
Department of Human Services

Date Signed: 08/12/2013

Date Mailed: 08/13/2013

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 receipt 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.

201356443/GFH

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

GFH/sw

cc:

