

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2013-57603
Issue No.: 2006
Case No.: [REDACTED]
Hearing Date: October 31, 2013
County: Wayne (18)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

HEARING DECISION

Following Claimant's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. After due notice, an in-person hearing was held on October 31, 2013, from Taylor, Michigan. Participants included the above-named Claimant, [REDACTED], Claimant's daughter, testified on behalf of Claimant. [REDACTED] appeared as Claimant's authorized hearing representative. Participants on behalf of the Department of Human Services (DHS) included [REDACTED], Manager, and [REDACTED], Specialist.

ISSUE

The issue is whether DHS properly terminated Claimant's Medical Savings Program (MSP) eligibility due to a failure to verify a bank account and/or pension income.

FINDINGS OF FACT

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

1. Claimant was an ongoing MSP recipient.
2. Claimant received monthly income from Social Security Administration (SSA).
3. Claimant's SSA payments were direct deposited into a direct express checking account.

4. On [REDACTED]/13, DHS mailed Claimant a Verification Checklist (VCL) requesting proof of Claimant's pension income and checking account.
5. The VCL due date was [REDACTED]/13.
6. Claimant failed to timely verify the pension income and checking account.
7. On [REDACTED]/13, DHS initiated termination of Claimant's MSP eligibility, effective [REDACTED]/2013.
8. On [REDACTED]/13, Claimant requested a hearing to dispute the MSP termination.

CONCLUSIONS OF LAW

The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act, 42 USC 1396-1396w-5, and is implemented by 42 CFR 400.200 to 1008.59. The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10 and MCL 400.105. Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM) and Department of Human Services Bridges Eligibility Manual (BEM) and Department of Human Services Reference Tables Manual (RFT). MSP benefits are included within the MA program.

Claimant requested a hearing to dispute a termination of MSP eligibility. It was not disputed that DHS terminated Claimant's MSP eligibility because of an alleged failure by Claimant to verify a checking account and pension income.

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.

It was not disputed that Claimant failed to verify her express account. Claimant alleged that she made attempts to verify the account but was unsuccessful.

The client must obtain required verification, but DHS must assist if they need and request help. *Id.*, p. 3. If neither the client nor DHS can obtain verification despite a reasonable effort, DHS is to use the best available information. *Id.*

It was not disputed that Claimant called DHS to inform her specialist that she had difficulty obtaining the requesting checking account verification. It was also not disputed

that Claimant's specialist advised Claimant that verification could be obtained by calling a telephone number. It was also not disputed that Claimant did not follow-up with her specialist after the conversation.

Claimant presented some evidence that she made some effort in verifying her checking account information. The evidence also established that DHS provided Claimant with information that should have led Claimant to obtain the requested verification. If Claimant followed her specialist's advice, was still unsuccessful in obtaining the information and called DHS to report the lack of success, Claimant would have a persuasive claim that she made reasonable efforts. As it is, Claimant presented testimony that she tried to obtain the checking account information online but it was not clear whether she called the phone number provided by her specialist. It was also not disputed that Claimant failed to follow up with her specialist to report her difficulties.

Based on the presented evidence, Claimant failed to make reasonable efforts to obtain required asset verification. Accordingly, the MSP benefit termination was proper.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly terminated Claimant's MSP eligibility, effective 7/2013, due to Claimant's failure to submit bank account verification. The actions taken by DHS are **AFFIRMED**.



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

Date Signed: 11/22/2013

Date Mailed: 11/22/2013

NOTICE OF APPEAL: 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 or Reconsideration was made, within 30 days of the receipt date of the Decision and Order of Reconsideration or Rehearing Decision.

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).

A Request for Rehearing or Reconsideration may be granted when one of the following exists:

- Newly discovered evidence that existed at the time of the original hearing that could affect the outcome of the original hearing decision;
- Misapplication of manual policy or law in the hearing decision which led to a wrong conclusion;

- Typographical, mathematical or other obvious error in the hearing decision that affects the rights of the client;
- Failure of the ALJ to address in the hearing decision relevant issues raised in the hearing request.

The Department, AHR or the claimant must specify all reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration. A request must be *received* in MAHS within 30 days of the date the hearing decision is mailed.

The written request must be faxed to (517) 335-6088 and be labeled as follows:

Attention: MAHS Rehearing/Reconsideration Request

If submitted by mail, the written request must be addressed as follows:

Michigan Administrative Hearings
Reconsideration/Rehearing Request
P.O. Box 30639
Lansing, Michigan 48909-07322

CG/hw

cc:

