

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

**IN THE MATTER OF:**

██████████  
██████████████████  
██████████████████████████████

Reg. No.: 2013 68499  
Issue No(s) .: 2002  
Case No.: ██████████  
Hearing Date: January 15, 2014  
County: Wayne (82)

**ADMINISTRATIVE LAW JUDGE:** Lynn M. Ferris

**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 January 15, 2014, from Detroit, Michigan. Participants on behalf of Claimant included the Claimant's Authorized Hearing Representative, ██████████. A witness, ██████████ also appeared. The Claimant did not appear. Participants on behalf of the Department of Human Services (Department) included ██████████ FIM, who also appeared.

**ISSUE**

Due to a failure to comply with the verification requirements, did the Department properly  deny Claimant's application  close Claimant's case  reduce Claimant's benefits for:

- |  |   |
|--|---|
| <input type="checkbox"/> Family Independence Program (FIP)?  | <input type="checkbox"/> Adult Medical Program (AMP)?       |
| <input type="checkbox"/> Food Assistance Program (FAP)?      | <input type="checkbox"/> State Disability Assistance (SDA)? |
| <input checked="" type="checkbox"/> Medical Assistance (MA)? | <input type="checkbox"/> Child Development and Care (CDC)?  |

**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  received:  
 FIP  FAP  MA  AMP  SDA  CDC  
benefits.

The Claimant's application was dated July 2, 2013 and requested retroactive medical assistance retroactive coverage for April, May and June 2013.

2. Claimant was required to submit requested verification by July 18, 2013 and July 25, 2013 and August 12, 2013.
3. On August 12, 2013 , the Department  
 denied Claimant's application determining that she had excess assets for April and May 2013.  
 closed Claimant's case.  
 reduced Claimant's benefits.
4. The Claimant provided verifications to the Department that \$5,000 of an IRA which was disclosed to the Department was paid to the Claimant's nursing facility to pay for outstanding charges on May 28, 2013. Thereafter the Claimant paid \$1500 on June 17, 2013 by three separate money orders. Copies of these documents were provided to the Department on July 2, 2013.
5. On August 12, 2013, the Department sent Claimant/Claimant's Authorized Representative (AR) notice of its action.
6. On September 6, 2013, Claimant/Claimant's Authorized Hearing Representative (AHR) filed a hearing request, protesting the Department's action.

### **CONCLUSIONS OF LAW**

Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM), Department of Human Services Bridges Eligibility Manual (BEM), and Department of Human Services Reference Tables Manual (RFT).

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.

Additionally, in this case it is determined that the Department improperly denied the Claimant's application for medical assistance due to excess assets. The Department had received the information necessary to make a determination regarding eligibility and it appears that the Claimant's AHR reduced the Claimant's IRA by \$5,000 by check dated May 28, 2013 to the nursing home and thereafter three more checks in the amount of \$500 were paid to the nursing home in June 2013. Thus at the application time the Claimant had reduced the IRA and closed the account. The Claimant also provided a checking account for July 17, 2013 which indicated a balance of \$3188.11as

of July 17, 2013. This account contained a deposit of \$1,345.20 from SSA as a direct deposit which would be income. It is determined that the Claimant's AHR returned all of the requested verifications by the due date and that the Department must re-register the July 2, 2013 application and determine eligibility. The hearing summary prepared by the Department indicates that the application was denied and was being reconsidered. It could not be determined at the time of the hearing whether the reconsideration had occurred. Therefore, it is determined that the Department did not meet its burden of proof based upon the evidence presented which would support a proper denial of the application. Exhibit 1 pp1-43.

The Department shall note that the Claimant's AHR lives in Montana and that any requests for verification and/or notices of case action or other communications shall be sent to the Claimant's AHR at the Montana address shown on the request for hearing filed in this case.

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any finds that the Department

- did not act in accordance with Department policy when it denied the Claimant's application for Medical Assistance of July 2, 2013 as it could not be determined why the application was denied other than what was provided in the hearing summary.

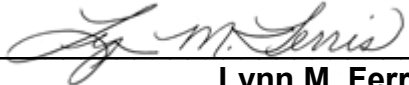
### **DECISION AND ORDER**

Accordingly, the Department's decision is

REVERSED.

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. The Department shall re-register and process the Claimant's July 2, 2013 application and determine eligibility of the Claimant for medical assistance in July 2013 and for the applicable retroactive months of April, May, and June 2013
2. The Department shall provide the Claimant's AHR written notice of its decision.

  
**Lynn M. Ferris**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: February 5, 2014

Date Mailed: February 5, 2014

**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

LMF/cl

cc: [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]