

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

IN THE MATTER OF:



Reg. No.: 2014-24121
Issue No(s): 2002, 2003, 3002,
Case No.: [REDACTED]
Hearing Date: February 20, 2014
County: Oakland County DHS #2

ADMINISTRATIVE LAW JUDGE: Colleen Lack

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, a telephone hearing was held on February 20, 2014, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED] the Claimant, and [REDACTED] mother and Authorized Hearing Representative. Participants on behalf of the Department of Human Services (Department) included [REDACTED] Eligibility Specialist.

ISSUE

Did the Department properly close the Claimant's Medical Assistance (MA) and Food Assistance Program (FAP) cases based on a 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. Claimant was an ongoing recipient of FAP, MA (Medical and Medicare Savings Program) benefits.
2. On October 15, 2013, a Redetermination form was issued to Claimant for the MA program cases, which was to be completed and returned with proofs by the November 1, 2013 due date.
3. On November 1, 2013, a Verification Checklist for the MA and FAP cases was issued to Claimant stating verification of his checking account was needed by the November 12, 2013, due date.
4. Claimant submitted a Social Security Statement rather than the checking account statement.

5. The Department extended the due date based on telephone conversations with Claimant's mother explaining how to obtain the needed verification.
6. On November 26, 2013, a Notice of Case Action was issued to Claimant stating the MA and FAP cases would close effective January 1, 2014, because Claimant failed to return the requested checking account verification.
7. On January 29, 2014, Claimant filed a request for hearing 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), Department of Human Services Reference Tables Manual (RFT), and Department of Human Services Emergency Relief Manual (ERM).

The Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food Stamp Act of 1977, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 271.1 to 285.5. The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10 and Mich Admin Code, R 400.3001 to .3015.

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, a Claimant must cooperate with the local office in determining initial and ongoing eligibility, including completion of necessary forms, and must completely and truthfully answer all questions on forms and in interviews. BAM 105.

Verification is usually required upon application or redetermination and for a reported change affecting eligibility or benefit level. Verifications are considered timely if received by the date they are due. The Department must allow a client 10 calendar days (or other time limit specified in policy) to provide the requested verification. The Department worker must tell the client what verification is required, how to obtain it, and the due date. The client must obtain required verification, but the Department must assist if the client needs and requests help. If neither the client nor the Department can obtain verification despite a reasonable effort, the Department worker should use the best available information. If no evidence is available, the Department worker is to use their best judgment. The Department is to send a case action notice when the client indicates refusal to provide a verification, or the time period given has elapsed and the client has not made a reasonable effort to provide it. BAM 130.

For MA, up to three extensions of the due date can be granted. For FAP, if the client contacts the Department prior to the due date requesting an extension or assistance in

obtaining verifications, the Department must assist them with the verifications but not grant an extension. The Department worker must explain to the client they will not be given an extension and their case will be denied once the due date is passed. Also, the Department worker shall explain their eligibility and it will be determined based on their compliance date if they return required verifications. BAM 130.

Benefits stop at the end of the benefit period unless a redetermination is completed and a new benefit period is certified. If a client files an application for redetermination before the end of the benefit period, but fails to take a required action, the case is denied at the end of the benefit period. BAM 210.

In this case, Claimant's MA benefit cases were due for redetermination. On October 15, 2013, a Redetermination form was issued to Claimant for the MA program cases to be completed and returned with proofs by the November 1, 2013 due date.

On November 1, 2013, the Department determined bank account verification was still needed for the account the Claimant's Social Security payments are deposited into. The bank account verification would also be relevant for the FAP case. Accordingly, on November 1, 2013, a Verification Checklist for the MA and FAP cases was issued to Claimant stating verification of his checking account was needed by the November 12, 2013, due date. The Eligibility Specialist testified he had several conversations with Claimant after the due date regarding the needed verification. Claimant then submitted a Social Security statement rather than the needed checking account verification. The Eligibility Specialist testified he extended the due date based on a telephone conversation with Claimant's mother explaining what was needed and how to retrieve the statement of the account in which Claimant's Social Security payments are deposited. However, the Eligibility Specialist could not state the extended due date for providing the verification.

On November 26, 2013, a Notice of Case Action was issued to Claimant stating the MA and FAP cases would close effective January 1, 2014, because Claimant failed to return the requested checking account verification.

Claimant and his mother explained that the Claimant has been going through medical treatment, could not walk in November 2013, did not have transportation for a while and did not even have a phone for a while. When Claimant got the letter, he misunderstood what the Department wanted. Claimant had his mother go to the Social Security office to get a statement from them because he thought that was what was needed. Next, Claimant's mother tried to follow how the Eligibility Specialist explained they could get the needed account statement, but there was an error with the computer system and it did not allow the online access. Claimant's mother called the bank and the glitch with Claimant's account was eventually corrected. However, by the time they were able to obtain the needed account statement it was a few days beyond the time the Eligibility Specialist had allowed. Claimant's mother had called the Eligibility Specialist to let him know it would be late due to the bank system issue, but she did not get a return call. Claimant's mother testified she drove the statement to the Department office just prior to Claimant's December 3, 2013 hospitalization.

The Eligibility Specialist noted that the account statements Claimant had at the February 20, 2014 hearing had print dates from December 10, 2013 and in several dates January 2014. Claimant's mother explained the account statements printed earlier were left at the Department office just before Claimant's December 3, 2013 hospitalization.

The Department provided sufficient evidence that they told Claimant what verification is required, how to obtain it, and the due date allowing at least 10 days. Further the Eligibility Specialist credibly testified he had phone conversations with Claimant and his mother further clarifying what was needed and gave one extension of the due date. However, Claimant's mother credibly testified she tried to contact the Eligibility Specialist to explain more time was needed due to the bank computer system error, but she never got a call back. Claimant did not indicate a refusal to provide the verification and was making a reasonable effort to provide it. For MA, the BAM 130 policy allows for up to three extensions, and only one had been granted by the Department. For FAP eligibility is to be determined based on the date of compliance with providing the verification. Claimant's mother credibly testified once they obtained the needed account statement, it was dropped off at the Department office. Claimant's mother's testimony indicates this was dropped off just before Claimant's December 3, 2013 hospitalization, which was before the FAP and MA benefit cases closed effective January 1, 2014. Accordingly, the determination to close Claimant's MA and FAP benefit cases cannot be upheld.

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 closed Claimant's MA and FAP cases based on a failure to comply with verification requirements.

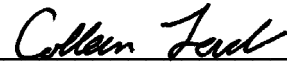
DECISION AND ORDER

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. Reinstate Claimant's MA and FAP cases and re-determine eligibility, to include requesting any verifications still needed, retroactive to the January 1, 2014 due date.

2. Issue Claimant any supplement he may thereafter be due.



Colleen Lack
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: February 28, 2014

Date Mailed: February 28, 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

201424121/CL

CL/hj

cc:

