

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

IN THE MATTER OF:



Reg. No.: 2014-17441
Issue No(s): 2002
Case No.: [REDACTED]
Hearing Date: February 27, 2014
County: Wayne (15)

ADMINISTRATIVE LAW JUDGE: Eric Feldman

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 three-way telephone hearing was held on February 27, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department or DHS) included [REDACTED], Assistant Payment Worker.

ISSUE

Did the Department properly deny Claimant's Medical Assistance (MA) application effective August 1, 2013, ongoing?

FINDINGS OF FACT

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

1. On August 27, 2013, Claimant applied for MA benefits and indicated that she owned a checking and savings account. See Exhibit 1.
2. On October 4, 2013, the Department sent Claimant a Verification Checklist (VCL), which requested verification of Claimant's checking and savings account. See Exhibit 1. The verifications were due back by October 14, 2013. See Exhibit 1.
3. On October 15, 2013, the Claimant submitted verification of her checking account, however, did not provide proof of the savings account. See Exhibit 1.

4. On November 25, 2013, the Department sent Claimant a Notice of Case Action notifying her that her MA application was denied effective August 1, 2013, ongoing, due to her failure to provide verification of the savings account. See Exhibit 1.
5. On November 26, 2013, the Department received verification of the savings account. See Exhibit 1.
6. On December 2, 2013, Claimant filed a hearing request, protesting the MA denial. See Exhibit 1.

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 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.

Clients must cooperate with the local office in determining initial and ongoing eligibility. BAM 105 (October 2013), p. 6. This includes completion of necessary forms. BAM 105, p. 6.

For MA cases, the Department allows the client 10 calendar days (or other time limit specified in policy) to provide the verifications it request. BAM 130 (July 2013), p. 6. If the client cannot provide the verification despite a reasonable effort, extend the time limit up to three times. BAM 130, p. 6. The Department sends a case action notice when: the client indicates refusal to provide a verification, or the time period given has elapsed. BAM 130, p. 7.

The client must obtain required verification, but the Department must assist if they need and request help. BAM 130, p. 3. If neither the client nor the Department can obtain verification despite a reasonable effort, the Department uses the best available information. BAM 130, p. 3. If no evidence is available, the Department uses its best judgment. BAM 130, p. 3.

In this case, on August 27, 2013, Claimant applied for MA benefits and indicated that she owned a checking and savings account. See Exhibit 1. Specifically, Claimant indicated that she was the owner of the checking account. See Exhibit 1. Also, Claimant indicated a savings account under the section that states does anyone in your household own other assets. See Exhibit 1. Claimant indicated a savings account in this section and put herself as the owner. See Exhibit 1.

On October 4, 2013, the Department sent Claimant a VCL, which requested verification of Claimant's checking and savings account. See Exhibit 1. The verifications were due back by October 14, 2013. See Exhibit 1. On October 15, 2013, the Claimant submitted verification of her checking account, however, did not provide proof of the savings account. On October 15, 2013, the Department received a deposit account balance summary page dated October 9, 2013, which Claimant did not dispute. See Exhibit 1. This page only referenced the checking account and listed Claimant's son as the primary owner and the Claimant as the secondary owner. See Exhibit 1. See Exhibit 1. This document did not reference the savings account.

Moreover, Claimant testified that when she went to the bank on October 9, 2013, she attempted to receive verification of both the checking and savings account. Claimant testified that the bank worker refused to provide her verification of the savings account due to her son being the primary owner. Claimant testified that the bank representative would not allow her to obtain the savings verification. Thus, Claimant testified she was only able to mail the verification of checking account. Claimant testified that she contacted the DHS office before the due date (October 14, 2013) stating this issue she had with the savings account.

The Department testified that once it received the checking verification on October 15, 2013, it spoke with the Claimant and requested that she also needed to provide verification of the savings account. Claimant testified that she did not speak with the Department on this date.

Approximately more than a month passes and then, on November 25, 2013, the Department sent Claimant a Notice of Case Action notifying her that her MA application was denied effective August 1, 2013, ongoing, due to her failure to provide verification of the savings account. See Exhibit 1. On November 26, 2013, the Department received verification of the savings account. See Exhibit 1. On November 26, 2013, the Department received a bank statement which was addressed to the Claimant's son in a different state. See Exhibit 1. Claimant testified her son was in the military and located out-of-state. It should be noted that the statement listed three accounts as follows: (i) one checking account in only the son's name; (ii) a second checking account listed in both Claimant's and her son's name; and (iii) a savings account in only the son's name. See Exhibit 1. Based on this information, it appears that only the son is the owner of the savings account. However, Claimant's testimony indicated that he was the primary owner, but that she was also listed on the account.

Additionally, Claimant testified that subsequent to her submission of only the checking account, she attempted multiple times to contact the Department. Finally, Claimant testified that she was able to speak with her DHS caseworker for the week of November 18 thru 22, 2013. See Hearing Summary, Exhibit 1. Claimant testified that the DHS caseworker informed her that there was an error for her case and she would have to discover what the error was. Thus, on November 25, 2013, Claimant testified that she again spoke with the DHS caseworker and discovered that the error was her failure to provide verification of the savings account. Claimant testified that she gave her only a day to obtain the savings verification. Claimant testified that it would be difficult to

obtain such verification due to her disability and transportation issues. Claimant testified that she was able to obtain the savings account verification on November 25, 2013. Claimant testified that she mailed the verification on November 25, 2013, in which the Department received it the next day. See Exhibit 1. It should be noted that Claimant also indicated that her son's savings account was closed.

Based on the foregoing information and evidence, the Department properly denied Claimant's MA application effective August 1, 2013, ongoing, in accordance with Department policy.

First, the Department properly requested verification of the checking and savings account as Claimant listed herself as the owner for both accounts on the application. See Exhibit 1. It was discovered during the hearing that it appears that only the son is the owner of the savings account. See Exhibit 1. However, Claimant's testimony and application indicated that she was also listed on the account. Thus, it was proper for the Department to request the savings account verification based on the application provided. See Exhibit 1.


Second, it was not disputed that the Claimant provided verification of the checking account, even though it was subsequent to the due date. Nevertheless, the Department credibly testified that it contacted the Claimant on October 15, 2013 stating that it needed the savings account verification. This is supported by the fact that the Department provided Claimant more than a month additionally to provide such verification. Clients must cooperate with the local office in determining initial and ongoing eligibility, which includes the completion of necessary forms. BAM 105, p. 6. Claimant failed to provide verification of her savings accounts before the due date. It is evident that Claimant possibly contacted the Department multiple times and spoke with the Department the week of November 18-22 and 25, 2013 regarding the savings account issue. See Hearing Summary, Exhibit 1. Moreover, Claimant testified that the Department admitted error in her case.

Nevertheless, the Claimant must ultimately obtain verification of the savings account. Even if the Department was aware of the issue in Claimant's attempt to obtain the savings account, the Department gave her more than month after the VCL due date to obtain the savings accounts verification. Claimant testified that she did not request any extensions; however, it is reasonable to conclude that an additional month to obtain a savings account verification was proper. The Department properly requested verification of the savings account as Claimant listed herself as the owner. The Department provided Claimant additional time to receive such document, however, she failed to timely submit the verifications within the necessary time period. Thus, the Department acted in accordance with Department policy when it denied Claimant's MA application effective August 1, 2013, ongoing, due to her failure to comply with the verification requirements. See BAM 105, p. 6 and BAM 130, pp. 6- 7.

DECISION AND ORDER

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 acted in accordance with Department policy when it properly denied Claimant's MA application effective August 1, 2013, ongoing.

Accordingly, the Department's MA decision is AFFIRMED.


Eric Feldman
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: March 18, 2014

Date Mailed: March 18, 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

2014-17441/EJF

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

EJF/tlf

cc:

