

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 2014-21425  
Issue No(s): 2002  
Case No.: [REDACTED]  
Hearing Date: March 4, 2014  
County: Macomb #36

**ADMINISTRATIVE LAW JUDGE:** Michael S. Newell

**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 March 4, 2014, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED], guardian. Participants on behalf of the Department of Human Services (Department) included [REDACTED] and [REDACTED].

**ISSUE**

Did the Department properly deny Claimant's MA application?

**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 applied for MA on November 14, 2013.
2. On December 2, 2013, the Department sent Claimant a Verification Checklist (VCL) due December 12, 2013.
3. At issue in this case is the request for verification of a trust fund.
4. The request for the trust fund information on the VCL read as follows: ". . . [REDACTED] HAS A TRUST ACCOUNT THROUGH [REDACTED] AND A SAVINGS ACCOUNT . . . PLEASE PROVIDE VERIFICATION FOR THESE ACCOUNTS ALONG WITH VERIFICATION OF HIS RENT." (EXHIBIT 1).
5. The VCL also stated "Please return a copy of at least one of the requested proofs for each verification and person listed below." (Exhibit 1.)

6. Below, the VCL listed two items for Claimant's patient trust fund: a 'Current statement from bank of financial institution' and "DHS 20 Verification of Assets.
7. Claimant returned an account statement from [REDACTED] for the "[REDACTED] IRREVOCALE SPECIAL NEEDS TR" (Exhibit 2).
8. The Department counted the trust as assets.
9. On December 23, 2013, the Department denied the application for excess assets and for allegedly failing to verify "Bank Account Saving" and "Bank Account Checking." (Exhibit 3).
10. The Department did not allege on the hearing summary or during the hearing that Claimant failed to providing savings or checking info.
11. Claimant requested hearing on January 6, 2014.

### **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.

Additionally, Claimant complied with the VCL. The VCL requested that Claimant turn in either a 'Current statement from bank of financial institution' or a "DHS 20 Verification of Assets. Any reasonable reading of the VCL would lead to the conclusion that returning a statement from the bank or financial institution regarding the trust would meet the requirement. If the Department needed additional information, it should have asked for it. Claimant complied with the VCL.

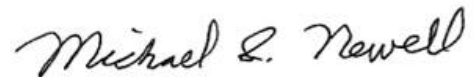
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department did not act in accordance with Department policy when it denied Claimant's MA application.

**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 the application and redetermine eligibility.
2. Request additional information if needed, specifying what the Department needs.



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**Michael S. Newell**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: March 27, 2014

Date Mailed: March 27, 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

MSN/las

cc:

