

4. On February 17, 2011, the AHR sent the Department a letter requesting a status on the application. See Exhibit 1, pp. 48-49.
5. On March 3, 2011, the AHR sent the Department a second request regarding the status of the application. See Exhibit 1, pp. 50-51
6. On April 15, 2011, the AHR filed a hearing request, protesting the Department's failure to process the MA application. See Exhibit 1, p. 2.

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 Title XIX of the Social Security Act, 42 USC 1396-1396w-5; 42 USC 1315; the Affordable Care Act of 2010, the collective term for the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152; and 42 CFR 430.10-.25. The Department (formerly known as the Family Independence Agency) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

As a preliminary matter, the Department of Human Services (Department or DHS) was not present for the hearing. The Michigan Administrative Hearing System (MAHS) made attempts to contact the Department to participate in the hearing, but to no avail. Thus, the hearing proceeded with only the Claimant's AHR present.

On November 18, 2010, the AHR applied for MA benefits on behalf of the Claimant, retroactive to October 2010. See Exhibit 1, pp. 21-47. In the application, the AHR listed a total of six household members, including the Claimant. See Exhibit 1, pp. 34-37. The application listed all minimum information regarding the Claimant; however, did not list social security number(s) and/or date of birth(s) for some of the additional household members. See Exhibit 1, pp. 34-37. The Department did not process Claimant's application nor send a VCL requesting documentation.

On February 17, 2011, the AHR sent the Department a letter requesting a status on the application. See Exhibit 1, pp. 48-49. On March 3, 2011, the AHR sent the Department a second request regarding the status of the application. See Exhibit 1, pp. 50-51. It appears the Department did not respond to either application status request. Thus, on April 15, 2011, the AHR filed a hearing request, protesting the Department's failure to process the MA application. See Exhibit 1, p. 2.

As part of the evidence packet, the Department did present a hearing summary with additional documents. See Exhibit 1, p. 5. A review of the hearing summary indicated

that Claimant was currently approved for MA benefits, however, for the time period requested, the Department failed to determine MA eligibility for the entire household. See Exhibit 1, p. 1. The hearing summary indicated that the Department cannot continue the eligibility determination until the household information is obtained. See Exhibit 1, p. 1. The hearing summary indicated there is no social security number(s) listed for member(s) and it is required for registration purposes. See Exhibit 1, p. 1.

On January 2, 2013, the Department sent Claimant a Quick Note and a copy of the Assistance Application (DHS – 1171) requesting that the Claimant complete the missing information by January 11, 2013. See Exhibit 1, p. 1 and 3-20. On January 7, 2013, the Department appeared to receive a response from the Claimant; however, information was still missing. See Exhibit 1, p. 1 and 3-20. Thus, the hearing summary stated the Department could not register the application or honor it at this time. See Exhibit 1, p. 1. It should be noted that the evidence indicated that Claimant's AHR did not receive correspondence of the Quick Note, other than the hearing summary packet being mailed to the AHR.

An authorized representative (AR) is a person who applies for assistance on behalf of the client and/or otherwise acts on his behalf (e.g., to obtain FAP benefits for the group). BAM 110 (October 2010), p. 7. The AR assumes all the responsibilities of a client. BAM 110, p. 7.

An application **or** filing form, whether faxed, mailed or received from the internet must be registered with the receipt date, **if** it contains at least the following information:

- Name of the applicant.
- Birth date of the applicant (not required for FAP).
- Address of the applicant (unless homeless).
- Signature of the applicant/authorized representative.

BAM 105 (January 2010), p. 1.

An application/filing form with the minimum information listed above must be registered by the Department using the receipt date as the application date even if it does not contain enough information needed to determine eligibility. BAM 105, p. 1.

If an application/filing form does not contain the minimum information listed above, send it back to the client along with a DHS-330, Notice of Missing Information, informing the client of the missing information. BAM 105, p. 1.

An incomplete application contains the minimum information required for registering an application. BAM 115 (October 2010), p. 3. However, it does not contain enough information to determine eligibility because all required questions are not answered for the program(s) for which the client is applying. BAM 115, p. 3.

When an incomplete application is filed, retain the application and give or send the client the DHS-3503, Verification Checklist. BAM 115, p. 3 and see also BAM 130 (October 2010), pp. 1-7. The Department informs the client of the:

- Request for contact to complete missing information.
- Due date for missing information.
- Interview date, if applicable.

BAM 115, p. 3.

Based on the foregoing information and evidence, the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it did not process Claimant's MA application dated November 18, 2010, retroactive to October 2010. First, the Department failed to be present at the hearing to rebut the AHR's testimony and evidence.

Second, based on BAM 105 and 115 policies, it appears that Claimant's AHR submitted an incomplete application, but contained the minimum information required to register the application. See Exhibit 1, pp. 21-47; BAM 105, p. 1; and BAM 115, p. 3. The application contained all of the minimum information regarding the Claimant, but failed to include information regarding the additional household members. See Exhibit 1, pp. 21-47. At this point, the Department should have registered the application and sent a DHS-3503, VCL, to the AHR requesting the missing information. See BAM 115, p. 3. However, the Department failed to send the AHR the VCL at the time the incomplete application was submitted in accordance with Department policy. BAM 115, p. 3.

Third, the Department appeared to consider Claimant's application lacking minimum information. The Department sent Claimant a Quick Note (with the application) requesting the missing information in order to determine eligibility for the household members. See Exhibit 1, p. 1 and 3-20. The Department, though, failed to send a DHS-330, Notice of Missing Information or the Quick Note dated January 2, 2013, to the AHR. The AR assumes all the responsibilities of a client. BAM 110, p. 7. Even though the Department sent Claimant a Quick Note, it failed to send the proper correspondence to the AHR in accordance with Department policy. BAM 110, p. 7.

In summary, for the above stated reasons, the Department will process Claimant's MA application dated November 18, 2010, retroactive to October 2010 in accordance with Department policy.


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 failed to satisfy its burden of showing that it acted in accordance with Department policy when it did not process Claimant's MA application dated November 18, 2010, retroactive to October 2010.

Accordingly, the Department's MA 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. Register Claimant's MA application dated November 18, 2010, retroactive to October 2010;
2. Begin processing the application/calculating the MA budget for October 1, 2010, ongoing, in accordance with Department policy;
3. Issue supplements to Claimant for any MA benefits he was eligible to receive but did not from October 1, 2010, ongoing; and
4. Notify Claimant and Claimant's AHR in writing of its MA decision in accordance with Department policy.


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

Date Signed: **8/19/2014**

Date Mailed: **8/19/2014**

EJF/cl

NOTICE OF APPEAL: A party may appeal this Hearing Decision in the circuit court in the county in which he/she resides, or the circuit court in Ingham County, within 30 days of the receipt date.

A party may request a rehearing or reconsideration of this Hearing Decision from the Michigan Administrative Hearing System (MAHS) within 30 days of the mailing date of this Hearing Decision, or MAHS may order a rehearing or reconsideration on its own motion.

MAHS may grant a party's Request for Rehearing or Reconsideration 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 party requesting a rehearing or reconsideration 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 this Hearing Decision is mailed.

A written request may be faxed or mailed to MAHS. If submitted by fax, 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

cc:

[REDACTED]
[REDACTED]
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