

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 14-004527  
Issue No.: 2001  
Case No.: [REDACTED]  
Hearing Date: August 21, 2014  
County: Shiawassee

**ADMINISTRATIVE LAW JUDGE:** Darryl T. Johnson

**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 August 21, 2014, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED]. Claimant did not participate. Participants on behalf of the Department of Human Services (Department) included Eligibility Specialist [REDACTED] and Family Independence Specialist [REDACTED].

**ISSUE**

Did the Department properly deny Claimant's application for Medical Assistance (MA)?

**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's Authorized Representative (AR) filed an application for retroactive MA on November 14, 2013.
2. Claimant previously received benefits from the Department and had reported bank accounts at [REDACTED].
3. On December 16, 2013, the Department mailed to the AR a verification check list (VCL) for verification of bank accounts. The response was due by December 26, 2014.
4. On January 3, 2014, the AR was granted an extension to respond until January 15, 2014.
5. On January 14, 2014, another extension was given until January 27, 2014.

6. A third extension was granted on January 24, 2014, giving the AR until February 10, 2014.
7. On March 25, 2014, the Department mailed to Claimant an Application Eligibility Notice denying retroactive coverage. (Exhibit 10, Page 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.

“Clients must cooperate with the local office in determining initial and ongoing eligibility. This includes completion of necessary forms; see Refusal to Cooperate Penalties in this item. Clients must completely and truthfully answer all questions on forms and in interviews.” BAM 105.

Per BAM 130, at page 6, says:

Verifications are considered to be timely if received by the date they are due. For electronically transmitted verifications (fax, email or Mi Bridges document upload), the date of the transmission is the receipt date. Verifications that are submitted after the close of regular business hours through the drop box or by delivery of a DHS representative are considered to be received the next business day.

Send a negative 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.

The issue is whether the Claimant provided timely verification in response to the request. The evidence is persuasive that the form was mailed to the Claimant at her

address of record. The evidence also establishes that the Claimant did not fully respond or make a reasonable effort to respond by the deadline.

The Department's position is that the AR did not verify a savings account with [REDACTED] despite repeated requests. The AR's position is that the [REDACTED] account was not owned by Claimant and was not listed on his application; and therefore, there was no reason to verify it.

On December 16, 2014, the Department mailed to the AR a Verification Checklist (VCL) (Exhibit 3)<sup>1</sup> referencing "bank statements that are needed are [REDACTED]." More generally, it requested current statements for [REDACTED] savings and checking accounts. On January 3, 2014, the AR mailed a letter (Exhibit 4 Page 1) noting they were "continuing to attempt to obtain verification of [REDACTED] income from the [REDACTED], [REDACTED], and [REDACTED] information." That followed a similar letter dated December 26, 2013, (Exhibit 4 Page 3) with nearly identical language. The AR mailed another letter on January 15, 2014, once again referencing the [REDACTED] and [REDACTED] accounts, but this time referring to [REDACTED] as "his spouse." Each time, the Department granted the AR an extension. Ultimately, the time came that no more extensions could be granted, and the application was denied.

The AR's position is that, because the account did not belong to the Claimant, he was not required to verify it. That issue was not raised in any of the other responses submitted by the AR. Instead, they repeatedly assured the Department they were trying to obtain verification of the account. Ultimately, they did not provide verification within the allotted time (a) that the account was not owned by Claimant, or (b) the amount in the account. The AR could have complied with the verification requirement by submitting documentation that Claimant had no ownership of the [REDACTED] account, but that was not done.

The Administrative Law Judge, based upon 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 denied Claimant's application for benefits.

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<sup>1</sup> The Exhibits were marked for admission as Exhibit 1 (Department) and Exhibits A and B (Claimant). Because the Department's exhibit pages are not marked sequentially, but are marked as Exhibit 1, 2, 3, etc., with page numbers, the Department's exhibits are referenced herein as identified on each page.

**DECISION AND ORDER**

Accordingly, the Department's decision is **AFFIRMED**.



Darryl T. Johnson  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: **8/25/2014**

Date Mailed: **8/25/2014**

DTJ / jaf

**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:

