

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 14-006057
Issue No.: 2002, 4002
Case No.: [REDACTED]
Hearing Date: September 17, 2014
County: Genesee-District 2

ADMINISTRATIVE LAW JUDGE: Kevin Scully

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 September 17, 2014, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED] and his authorized representative [REDACTED] of [REDACTED], [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED] and [REDACTED].

ISSUE

Did the Department properly deny the Claimant's application for Medical Assistance (MA) and State Disability Assistance (SDA) benefits?

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 May 14, 2014, the Claimant applied for Medical Assistance (MA) and State Disability Assistance (SDA) along with a request for retroactive benefits.
2. On May 14, 2014, the Department sent the Claimant a Verification Checklist (DHS-3503) requesting information necessary to submit his case to the Medical Review Team for a determination of disability by May 27, 2014.
3. On May 27, 2014, the Department informed the Claimant by telephone that his application would be denied and that he should reapply.
4. On May 30, 2014, the Department notified the Claimant in writing that his application for State Disability Assistance (SDA) was denied.
5. The Claimant was approved for Medical Assistance (MA) under the HMP category, but retroactive benefits were denied.

6. On June 18, 2014, the Department received the Claimant's request for a hearing, protesting the processing of his application for assistance.

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.

The State Disability Assistance (SDA) program is established by the Social Welfare Act, MCL 400.1-.119b. The Department of Human Services (formerly known as the Family Independence Agency) administers the SDA program pursuant to 42 CFR 435, MCL 400.10 and Mich Admin Code, R 400.3151-.3180.

Clients must cooperate with the local office in determining initial and ongoing eligibility and this includes the completion of necessary forms. Department of Human Services Bridges Assistance Manual (BAM) 105 (April 1, 2014), p 5.

Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level when it is required by policy, required as a local office option, or information regarding an eligibility factor is unclear, inconsistent, incomplete, or contradictory. The Department uses documents, collateral contacts, or home calls to verify information. A collateral contact is a direct contact with a person, organization, or agency to verify information from the client. When documentation is not available, or clarification is needed, collateral contact may be necessary. Department of Human Services Bridges Assistance Manual (BAM) 130 (July 1, 2014), pp 1-9.

At application, redetermination, ex parte review, or other change, the Department must explain to the client/authorized representative the availability of assistance in obtaining needed information. Extension may be granted when the following exists:

- The customer/authorized representative need to make the request. An extension should not automatically be given.
- The need for the extension and the reasonable efforts taken to obtain the verifications are documented.
- Every effort by the Department was made to assist the client in obtaining verifications. BAM 130.

If the client cannot provide the verification despite a reasonable effort, the Department will extend the time limit up to two times. BAM 130.

On May 14, 2014, the Claimant applied for Medical Assistance (MA) and State Disability Assistance (SDA) along with a request for retroactive Medical Assistance (MA) benefits. On May 14, 2014, the Department sent the Claimant a Verification Checklist (DHS-3503) with a due date of May 27, 2014. On May 30, 2014, the Department notified the Claimant that it had denied his application for State Disability Assistance (SDA). The Department approved the Claimant for Medical Assistance (MA) under the HMP category, but denied retroactive Medical Assistance (MA).

The Claimant testified that he reported to the Department on May 27, 2014, that he would not be able to submit all the required information by the due date. The Claimant's authorized representative contacted the Department on May 27, 2014, requesting an extension to the Verification Checklist (DHS-3503), but the Department did not acknowledge the representative's authority because the Department had not received the Claimant's consent to release protected information to the representative.

This Administrative Law Judge finds that the Department was aware that the Claimant was having difficulty submitted all the required information by the due date. This Administrative Law Judge finds that the Department was obligated to assist the Claimant gather the information requested on the Verification Checklist (DHS-3503) but failed to provide any assistance. This Administrative Law Judge finds that the Department failed to grant an extension despite the Claimant's reasonable efforts to obtain the required information.

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 the Claimant's application for State Disability Assistance (SDA), Medical Assistance (MA) based on disability, and retroactive Medical Assistance (MA).

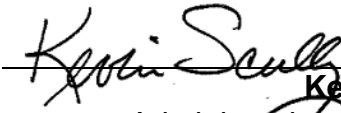
DECISION AND ORDER

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. Initiate a determination of the Claimant's eligibility for Medical Assistance (MA), retroactive Medical Assistance (MA), and State Disability Assistance (SDA) by reprocessing the Claimant's May 14, 2014, application for assistance.
2. Provide the Claimant with a Notice of Case Action (DHS-1605) describing the Department's revised eligibility determination.

3. Issue the Claimant any retroactive benefits he may be eligible to receive, if any.



Kevin Scully
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: **9/17/2014**

Date Mailed: **9/17/2014**

KS/las

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:

