

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 14-005558  
Issue No.: 2001  
Case No.: [REDACTED]  
Hearing Date: October 1, 2014  
County: LAPEER

**ADMINISTRATIVE LAW JUDGE: Darryl 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 telephone hearing was held on October 1, 2014, from Lansing, Michigan. Participants on behalf of Claimant included Claimant's attorney, [REDACTED]. Participants on behalf of the Department of Human Services (Department) included Assistance Payments Worker [REDACTED]. Assistant Attorney General [REDACTED] represented the Department.

**ISSUE**

Did the Department properly close Claimant's 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 applied for retroactive Medicaid on March 31, 2014.
2. On April 9, 2014, the Department mailed a Verification Checklist (VCL) to Claimant (Exhibit 1 Pages 5-6) and responses were due April 21, 2014. The Department extended the due date to May 1, 2014, and then to May 11, 2014.
3. On May 14, 2014, the Department mailed to Claimant a Health Care Coverage Determination Notice (Exhibit 1 Pages 2-3) informing Claimant that she was not eligible for MA because her verifications had not been received.

4. On May 15, 2014, the Claimant's attorney mailed a letter to the Department (Exhibit 2) explaining difficulty he was having obtaining verification from [REDACTED], and from [REDACTED].
5. On June 16, 2014, the Department received Claimant's hearing request.

### 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, or made a reasonable effort to comply. The evidence is persuasive that the VCL was mailed to the Claimant at her address of record. The evidence also establishes that the Claimant made a reasonable effort to respond by the deadline. Her

attorney was repeatedly in touch with the Department as he tried to obtain the necessary verification. The Department extended the deadline, but the documents still could not be obtained by the extended deadline. However, Claimant's attorney testified that he made repeated calls and sent emails to [REDACTED] (or its parent company) in an effort to get information. In the end, it turned out that Claimant had an annuity from [REDACTED] that paid her [REDACTED] per month. As for [REDACTED], Claimant was a contributing author and had, from time to time, received some royalties from a book published by [REDACTED]. There was no pre-set payment schedule; [REDACTED] seemed to mail the royalties whenever they chose to. The royalties were less than [REDACTED] annually.

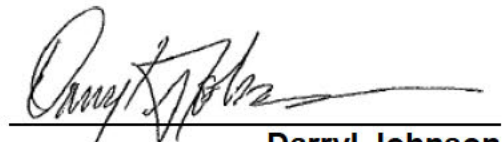
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department did not act in accordance with Department policy when it denied Claimant's MA application.

### **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. Redetermine Claimant's MA eligibility and provide MA benefits to Claimant, if otherwise eligible, after she has satisfied the penalty period.



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

Date Signed: **10/6/2014**

Date Mailed: **10/6/2014**

DJ/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:

