

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

**IN THE MATTER OF:**



Reg. No.: 14-011099  
Issue No.: 2002  
Case No.: [REDACTED]  
Hearing Date: November 06, 2014  
County: MACOMB-12 (MT CLEMENS)

**ADMINISTRATIVE LAW JUDGE: Lynn Ferris**

**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 November 6, 2014, from Detroit, Michigan. Participants on behalf of Claimant included [REDACTED] the Claimant's Authorized Hearing Representative (AHR) appeared. The Claimant did not appear and his appearance as a witness was waived by the AHR. L&S called in at 3:00 p.m. for the hearing, indicating it was ready to proceed. The hearing was scheduled for 3:00 p.m. The Department of Human Services did not appear. The Department was notified that the hearing was ready to proceed at 3:23 p.m., and advised the Department that they had until 3:38 p.m. to call in to participate in the hearing. The Department did not call into the hearing until after the hearing had begun and was completed.

**ISSUE**

Due to a failure to comply with the Verification requirements, did the Department properly deny Claimant's application Medical Assistance (MA)?

**FINDINGS OF FACT**

The Administrative Law Judge, based upon the competent, material, and substantial evidence on the whole record, including testimony of witnesses, finds as material fact:

1. On October 10, 2013, Claimant applied for Medical Assistance and applied for retro Medical Assistance, retroactive to August 2013.
2. Claimant was required to submit requested Verifications regarding his wife's employment and another Verification checklist, both Verifications due on April 14, 2014. Exhibit 3.

3. The Department issued a VCL on April 3, 2014, requesting three items: employment form to clarify when his wife's income began, including gross history; bank statements for August 2013, September 2013, and October 2013, and lastly 3, and any other medical bills Claimant has for this time period other than August 30, 2013 hospitalization. Exhibit 3
4. On June 10, 2014, the Department denied the Claimant's application for failure to return requested Verification regarding his wife's checking and savings accounts. The Notice stated: checking for [REDACTED] and [REDACTED]. In addition, checking and savings accounts statements for [REDACTED] [wife]. The Department issued a Health Determination Notice that also indicated that Claimant was not eligible as income exceeds the limit for this program.
5. On April 23, 2014, the Claimant's AHR submitted Claimant's unemployment and bank Verifications, medical expenses, and Claimant's wife's income Verifications and Verification of employment and asked for an extension of the due date to May 4, 2014. See L&S Hearing Request.
6. On April 29, 2014 the Claimant's AHR sent the remaining Verifications (3 pages) and medical records to the Department indicating it had completed the VCL and asked if there was any additional information that was required and to advise the AHR. See attachments to [REDACTED] Request.
7. On September 5, 2014, Claimant/Claimant's Authorized Hearing Representative (AHR) filed a hearing request, protesting the Department's action.

### **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), and Department of Human Services Reference Tables Manual (RFT).

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.

Additionally, the Claimant provided numerous records and all the documents requested by the Department except copies of his wife's bank accounts. The Verification Checklist did not specifically request that Claimant's wife's bank accounts were to be provided; but just listed bank accounts generally. Claimant's AHR was unaware of the wife's bank accounts as none were listed on the application. In addition, the language of the

Verification does not specifically request the Claimant's wife's bank accounts be verified, and all other bank account statements (2) were provided. Under these circumstances, it is determined that the Claimant did not refuse to provide the Verifications, and further opportunity to provide Verification of his wife's accounts should have been granted by the Department. BAM 130 provides that the Department is to send a case action notice when the client (Claimant) indicates refusal to provide a Verification. In this instance, it is determined that the Claimant did not refuse to provide Verification and thus the denial of the application for Medical Assistance is not supported under these factual circumstances. BAM 130 (10/1/14), pp. 8.

There was no evidence presented as regards whether the Department correctly determined that the Claimant was ineligible for Medical Assistance based upon his group income exceeding the income limit, as the Department indicated that the reason for the denial in its hearing summary was due to failure to complete the Verifications. The excess income issue was not considered.

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 application for Medical Assistance based upon failure to verify information.

### **DECISION AND ORDER**

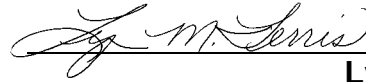
Accordingly, the Department's decision is

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. The Department shall re-register the October 10, 2013 application and retro application and allow further Verification of the bank account information, and redetermine eligibility based upon the Verifications received.

2. The Department shall provide notice to the Claimant and Claimant's AHR regarding its determination of eligibility for Medical Assistance.



**Lynn Ferris**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: **11/21/2014**

Date Mailed: **11/21/2014**

LMF/tm

**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]