

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

IN THE MATTER OF:

██████████
██████████
██████████

Reg. No.: 14-003485
Issue No.: 2001
Case No.: ██████████
Hearing Date: June 26, 2014
County: WAYNE (17)

ADMINISTRATIVE LAW JUDGE:

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 June 26, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included ██████████, Eligibility Specialist.

ISSUE

Did the Department properly deny Claimant's application form Medical Assistance (MA) for failure to verify requested information?

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 MA benefits in April 2014.
2. On May 12, 2014, the Department sent Claimant a Health Care Coverage Determination Notice notifying her that she was eligible for MA coverage for May 2014 but not eligible for June 2014, ongoing.
3. On May 16, 2014, Claimant filed a Request for Hearing disputing the Department's actions.

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.

Additionally, when the Department receives an application for assistance, it is to be registered and processed in accordance with Department policies. BAM 115 (July 2013), p. 15. The Department is to certify program approval or denial of the application within 45 days and upon certification of eligibility results, the Department is to notify clients in writing of positive and negative actions by generating the appropriate notice of case action. After processing an initial application, the Department will notify clients of the approval or denial. BAM 115, pp. 13-25; BAM 220 (July 2013), pp. 1, 19-20.

In this case, Claimant applied for MA benefits for herself and her son in April 2014. Claimant's benefits were approved for May 2014 but denied effective June 2014. Under Department policy, clients' Social Security Numbers are submitted to the Unemployment Insurance Agency quarterly to be cross-matched with the work history records submitted by Michigan employers. BAM 802 (December 2013), p. 1.

The Department testified that it received a Wage Match that Claimant's husband was employed. On January 24, 2014, the Department sent Claimant a Wage Match Client Notice, requesting that form be completed by the listed employer and returned on or before February 24, 2014. Claimant acknowledged that she received the document and did not return it by the due date because she believed her case with the Department was closed. Claimant testified that she had not received any services from the Department since August 2013. Claimant further testified that she did not apply for MA benefits until April 2014.

On May 12, 2014, the Department sent Claimant a Health Care Coverage Determination Notice notifying her that she had been approved for MA benefits effective May 1, 2014 but also included a denial/closure effective June 1, 2014. The Health Care Coverage Notice stated that the reason for the denial/closure was due to Claimant's failure to verify requested information. However, the Department was unclear as to whether Claimant's failure to return the January 24, 2014 Wage Match Client Notice was the reason for the denial/closure of MA benefits effective June 1, 2014 or why

Claimant would have been sent a Wage Match Client Notice if she was no longer receiving services at that time. Therefore, it is found that since the Department was unable to establish how Claimant failed to verify requested information, it has failed to establish that it properly denied/closed Claimant's MA case for failure to verify requested information.

During the hearing, the Department asserted that Claimant's household income was in excess of the allowable amount. Claimant confirmed that her husband began full time permanent employment on April 28, 2014. Although Claimant estimated her husband's annual income at approximately \$32,000.00, she testified that she was unsure if that was correct. Claimant confirmed that she currently receives unemployment benefits. Because Claimant is unsure of her husband's annual income, it is unclear if the household income exceeds the allowable amount. Further, the Health Care Determination Notice did not state that the negative action was due to excess income.

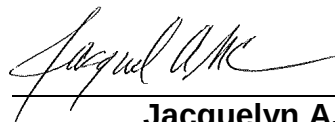
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department did not act in accordance with Department policy when it denied/closed Claimant MA benefits.

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 eligibility for MA benefits effective June 1, 2014;
2. Issue supplements to Claimant for any MA benefits she was eligible to receive but did not from June 1, 2014 ongoing;
3. Notify Claimant in writing of its decision.



Jacquelyn A. McClinton
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: **7/11/2014**

Date Mailed: **7/11/2014**

JAM/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]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]