

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

IN THE MATTER OF:

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Reg. No.: 14-010629
Issue No.: 2001
Case No.: [REDACTED]
Hearing Date: December 01, 2014
County: WAYNE (82)

ADMINISTRATIVE LAW JUDGE: Jacquelyn A. McClinton

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 December 1, 2014, from Detroit, Michigan. Participants on behalf of Claimant included [REDACTED], Claimant's Authorized Hearing Representative (AHR). Participants on behalf of the Department of Human Services (Department) included [REDACTED], Eligibility Specialist.

ISSUE

Did the Department properly deny Claimant's application for Medical Assistance (MA) 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 March 31, 2014 Claimant's Guardian submitted an application for MA benefits on behalf of Claimant.
2. On May 12, 2014, the Department sent Claimant a Verification Checklist (VCL) requesting current checking account and annuity information with a due date of May 22, 2014.
3. On June 12, 2014, the Department sent Claimant's AHR a Health Care Coverage Determination Notice notifying her that the application for MA benefits had been denied for failure to provide verification information.

4. On August 19, 2014, Claimant's Guardian 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, verification is usually required at application/redetermination **and** for a reported change affecting eligibility or benefit level. BAM 130 (April 2014), p. 1. Claimant's Guardian applied for MA benefits on March 31, 2014 on behalf of Claimant. On May 12, 2014, the Department sent Claimant a VCL requesting checking account information and information regarding her annuities with Allstate. Claimant's AHR testified that Claimant is completely incapacitated and residing in a long term care facility. As such, Claimant is unable to personally obtain the information requested in the VCL. Claimant's AHR further testified that there had been several unsuccessful attempts including court orders to obtain the information from Allstate. Because of the difficulties obtaining the information, the annuity information was not submitted by the May 22, 2014 due date. On June 12, 2014, the Department sent Claimant a Health Care Determination Notice notifying her AHR that the MA application had been denied.

Department policy holds that the client must obtain required verification, but Department workers must assist if they need and request help. Further, if neither the client nor the Department worker can obtain verification despite a reasonable effort, use the best available information and if **no** evidence is available best judgment must be used. BAM 130, p. 3. Claimant's AHR testified that her office was in constant contact with Claimant's assigned worker to advise of the problem. There was no evidence that the Department did anything to assist in obtaining the information from Allstate. It is unclear at this point what more the Department could do in obtaining information given that Allstate has apparently elected to ignore court orders. However, Department policy requires that attempts be made. Additionally, as previously stated, if the Department is unable to obtain the information after attempting to assist, it is to use the best available information or best judgment. In this case, Claimant submitted 2012 documentation regarding the annuities. This may be the best information available. If the Department feels that it is unable to use this information and is unsuccessful in obtaining the information, then it must use its best judgment.

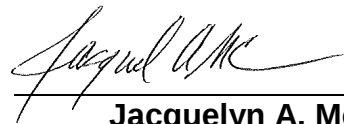
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department did not act in accordance with policy when it failed to provide assistance in obtaining annuity information from Allstate and instead denied Claimant's application for 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. Reregister and reprocess Claimant's March 31, 2014 application for MA benefits;
2. Issue supplements Claimant was eligible to receive but did not resulting from her March 31, 2014 application for MA benefits; and
3. Notify Claimant's Guardian in writing of its decision.



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

Date Signed: **12/4/2014**

Date Mailed: **12/4/2014**

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 48909-8139

CC:

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]