

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 14-012248  
Issue No.: 2001, 2002, 2004  
Case No.: [REDACTED]  
Hearing Date: January 15, 2015  
County: Macomb-District 20

**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, telephone hearing was held on January 15, 2015, from Lansing , Michigan. Participants on behalf of Claimant included his authorized hearings representative [REDACTED] of [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED].

**ISSUE**

Did the Department properly deny the Claimant's application for 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. On July 31, 2013, the Claimant applied for Medical Assistance (MA).
2. The Department did not process the Medical Assistance (MA) application.
3. On May 9, 2014, the Michigan Administrative Hearing System (MAHS) ordered the Department to reprocess the July 21, 2013, application for assistance.
4. While reprocessing the Claimant's application, the Department sent the Claimant a Verification Checklist (DHS-3503) with a due date of May 27, 2014.
5. On September 12, 2014, the Department received the Claimant's request for a hearing protesting the Department's failure to process the Claimant's July 31, 2013, 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.

Clients have the right to contest a Department decision affecting eligibility or benefit levels whenever it is believed that the decision is incorrect. The Department will provide an administrative hearing to review the decision and determine the appropriateness. The Michigan Administrative Hearing System (MAHS) may grant a hearing for any of the following:

MAHS may grant a hearing about any of the following:

- Denial of an application and/or supplemental payments.
- Reduction in the amount of program benefits or service.
- Suspension or termination of program benefits or service.
- Restrictions under which benefits or services are provided.
- Delay of any action beyond standards of promptness.
- For FAP only, the current level of benefits or denial of expedited service. Department of Human Services Bridges Administrative Manual (BAM) 600 (March 1, 2014), p 4.

A request for hearing must be in writing and signed by the Claimant, petitioner, or authorized representative. Rule 400.904(1). Moreover, the Department of Human Services Bridges Administrative Manual (BAM) 600 (March 1, 2014), p. 5, provides in relevant part as follows:

The client or authorized hearing representative has *90 calendar days from the date of the written notice of case action to request a hearing*. The request must be received anywhere in DHS within the 90 days. [Emphasis added.]

On July 31, 2013, the Claimant applied for Medical Assistance (MA), but the Department did not process this application. On May 9, 2014, the Michigan Administrative Hearing System (MAHS) ordered the Department to reprocess the Claimant's application for benefits.

While reprocessing the Claimant's application for benefits, the Department sent the Claimant a Verification Checklist (DHS-3503) with a due date of May 27, 2014. In response to inquiries made by the Claimant's representative, the Department informed the representative that the application had been denied.

Where a group applying for benefits is ineligible or refuses to cooperate in the application process, the Department will certify the denial within the standard of promptness to avoid receiving an overdue task in Bridges and send a Client Notice (DHS-1605), Application Eligibility Notice (DHS-1150), or Health Care Coverage Determination Notice (DHS-1606) with the denial reason(s). Department of Human Services Bridges Administrative Manual (BAM) 115 (January 1, 2015), p 23.

On May 9, 2014, the Michigan Administrative Hearing System (MAHS) ordered the Department to reprocess the Claimant's application for assistance. No evidence was presented on the record that the Department sent the Claimant or his representative a formal denial of his application. The Claimant is entitled to have his application for benefits processed within the standard of promptness. This Administrative Law Judge finds that the Claimant's request for a hearing is timely placing it under the jurisdiction of the Michigan Administrative Hearing System (MAHS) as outlined in BAM 600.

There was no evidence presented on the record that the Department sent the Claimant or his representative a formal notice that his application for assistance had been denied as directed by BAM 115. This Administrative Law Judge finds this failure to send the Claimant a formal denial of benefits to be inconsistent with Department policy and a violation of his due process rights. While there is evidence on the record to support a finding that the Claimant and his representative made a reasonable effort to cooperate with the Department's efforts to determine eligibility for the Medical Assistance (MA) program, this failure to cooperate does not justify the Department's failure to issue a written denial of the Claimant's application for assistance.


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 July 31, 2013, application for assistance.

### **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. Reprocess the Claimant's July 31, 2013, application for assistance and initiate a determination of the Claimant's eligibility for Medical Assistance (MA).
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.

  
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Kevin Scully  
Administrative Law Judge  
for Nick Lyon, Acting DHS Director  
Department of Human Services

Date Signed: **1/21/2015**

Date Mailed: **1/21/2015**

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.

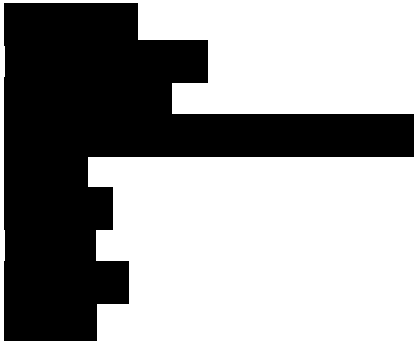
A written request may be faxed or mailed to MAHS. If submitted by fax, the written request must be faxed to (517) 335-6088 and be labeled as follows:

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:

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