

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2014-12659
Issue No(s): 2002, 3002
Case No.: [REDACTED]
Hearing Date: December 17, 2013
County: Ingham County DHS

ADMINISTRATIVE LAW JUDGE: Colleen Lack

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 17, 2013, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED] [REDACTED] the Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED] [REDACTED] Assistance Payments Supervisor, and [REDACTED] [REDACTED] Eligibility Specialist.

ISSUE

Did the Department properly deny the Claimant's application for Medical Assistance (MA) and Food Assistance Program (FAP) benefits based on a failure to provide requested verifications?

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 October 8, 2013, the Claimant applied for MA and FAP.
2. On October 11, 2013, a Verification Checklist was issued to the Claimant listing what documentation, specifically bank account verifications, was needed by the October 21, 2013 due date.
3. On October 24, 2013, a Notice of Case Action was issued to the Claimant stating MA and FAP were denied based on failure to verify information necessary to determine eligibility for the programs.
4. On October 29, 2013, the Claimant filed a request for hearing contesting 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), Department of Human Services Reference Tables Manual (RFT), and Department of Human Services Emergency Relief Manual (ERM).

The Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food Stamp Act of 1977, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 271.1 to 285.5. The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10 and Mich Admin Code, R 400.3001 to .3015.

The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act, 42 USC 1396-1396w-5, and is implemented by 42 CFR 400.200 to 1008.59. The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10 and MCL 400.105.

Additionally, a Claimant must cooperate with the local office in determining initial and ongoing eligibility, including completion of necessary forms, and must completely and truthfully answer all questions on forms and in interviews. BAM 105.

Verification is usually required upon application or redetermination and for a reported change affecting eligibility or benefit level. Verifications are considered timely if received by the date they are due. The Department must allow a client 10 calendar days (or other time limit specified in policy) to provide the requested verification. The Department worker must tell the client what verification is required, how to obtain it, and the due date. The client must obtain required verification, but the Department must assist if the client needs and requests help. If neither the client nor the Department can obtain verification despite a reasonable effort, the Department worker should use the best available information. If no evidence is available, the Department worker is to use their best judgment. BAM 130.

For MA, if the client cannot provide the verification despite a reasonable effort, the time limit can be extended up to three times. BAM 130. For FAP, if the client contacts the Department prior to the due date requesting an extension or assistance in obtaining verifications, the Department must assist them with the verifications but not grant an extension. The Department worker must explain to the client they will not be given an extension and their case will be denied once the due date is passed. Also, the Department worker shall explain their eligibility and it will be determined based on their compliance date if they return required verifications. BAM 130. The Department must re-register the FAP application if the client complies within 60 days of the application date. BAM 115 and BAM 130.

The Eligibility Specialist testified that the Claimant applied for MA and FAP on October 8, 2013 and a telephone interview was completed with the Claimant on October 11, 2013. The Claimant reported his current bank account is with Higher One. The

Eligibility Specialist stated that prior information showed the Claimant had an account with PNC bank. During the telephone interview, the Claimant reported the PNC bank account had closed.

On October 11, 2013, a Verification Checklist was issued to the Claimant listing what documentation, specifically bank account verifications, was needed by the October 21, 2013 due date. The Eligibility Specialist testified that no verifications were turned in by the October 21, 2013 due date. On October 24, 2013, a Notice of Case Action was issued to the Claimant stating MA and FAP were denied based on failure to verify information necessary to determine eligibility for the programs.

The Claimant testified that PNC bank ended the relationship in an unprofessional manner and did not provide him with appropriate documentation. The Claimant stated he called PNC bank requesting proof that he does not have an account there anymore, but they were expecting him to provide something like a subpoena. The Claimant testified he has also kept an open line of communication with the Eligibility Specialist, and has left her messages.

The Eligibility Specialist and print out of the Case Comments-Summary confirmed that on October 18, 2013, prior to the October 21, 2013, due date for the requested verifications, the Claimant called the Eligibility Specialist. In part, the need for verification of both the Claimant's current and his closed bank accounts, as well as the trouble the Claimant was having with obtaining information from PNC bank was discussed. The Eligibility Specialist suggested that the Claimant come to the Department office for assistance with requesting the verification from PNC bank by phone. (See Exhibit A page 19)

For the MA portion of the Claimant's application, the BAM 130 policy would allow for up to three extensions of the due date for providing verifications. For the FAP portion of the Claimant's application, the BAM 130 policy does not allow for any extension of the due date to be granted. However, for both MA and FAP the BAM 130 policy requires that the Department assist with obtaining verifications if the Claimant needs and requests help. It is not clear why the Eligibility Specialist indicated she would only help with obtaining the PNC bank verification if the Claimant came to the local office, particularly when her intention was to participate in a call to the bank with the Claimant. A three way telephone conference call could have occurred without requiring the Claimant to go to the local office. Despite the Claimant's call to the Eligibility Specialist prior to the due date listed on the Verification Checklist, the Department did not grant any extension of the due date for the Medicaid portion of the application and did not actually assist the Claimant with obtaining the required verifications. Accordingly, the determination to deny the Claimant's MA and FAP application cannot be upheld.

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 application for MA and FAP benefits based on a failure to provide requested verifications.

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. Re-instate the Claimant's October 8, 2013 application for MA and FAP and re-determine eligibility in accordance with Department policy.
2. Issue the Claimant any supplement that he may thereafter be due.

/s/
Colleen Lack
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: December 20, 2013

Date Mailed: December 23, 2013

NOTICE OF APPEAL: The claimant may appeal the Decision and Order to Circuit Court within 30 days of the receipt of the Decision and Order or, if a timely Request for Rehearing or Reconsideration was made, within 30 days of the receipt date of the Decision and Order of Reconsideration or Rehearing Decision.

Michigan Administrative Hearing System (MAHS) may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. MAHS will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 90 days of the filing of the original request (60 days for FAP cases).

A Request for Rehearing or Reconsideration may be granted 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 Department, AHR or the claimant 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 the hearing decision is mailed.

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

CL/hj

cc:

