

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

IN THE MATTER OF:



Reg. No.: 201428211
Issue No.: 2002
Case No.: [REDACTED]
Hearing Date: April 28, 2014
County: Oakland (02)

ADMINISTRATIVE LAW JUDGE: Alice C. Elkin

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, an in-person hearing was held on April 28, 2014, from Madison Heights, Michigan. Participants on behalf of Claimant included [REDACTED], hearing representative with [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 October 31, 2013 application for Medical Assistance (MA) benefits, with request for retroactive coverage for August 2013 and September 2013?

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 31, 2013, the AHR filed an MA application on Claimant's behalf with a request for retroactive coverage to August 2013.
2. On November 1, 2013, the Department sent Claimant and the AHR a Verification Checklist (VCL) requesting, among other things, that Claimant provide verification of employment income for August 2013 to October 2013.
3. At the AHR's request, the Department extended the VCL due date three times, with the last VCL due date on December 12, 2013.

4. The AHR submitted earnings statement for Claimant on December 12, 2013, but the Department concluded that the statements were insufficient because they did not include the employer's name.
5. On December 12, 2013, the Department sent Claimant and the AHR a Notice of Case Action denying Claimant's application for failure to provide requested earned income verification.
6. On January 23, 2014, the AHR 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 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, the Department allows clients ten calendar days to provide requested verifications, and if the client cannot provide the verification despite a reasonable effort, it extends the due date up to three times. BAM 130 (July 2013), p. 6. Verifications are considered to be timely if received by the date they are due. BAM 130, p. 6. For electronically transmitted verifications (fax, email or MI Bridges document upload), the date of the transmission is the receipt date. BAM 130, p. 6. For verifications submitted after the close of regular business hours through the drop box or by delivery of a Department representative are considered to be received the next business day. BAM 130, p 7. The Department sends a case action note when the time period for receipt of verification has elapsed. BAM 130, p. 7.

In this case, the Department sent Claimant and the AHR a November 1, 2013 VCL requesting income verification from the Bread Basket Deli for August 2013 through October 2013. The Department testified that, by the close of business on December 12, 2013, the extended due date of the VCL, it had received earning statements for Claimant which it deemed inadequate because they did not identify Claimant as the payee. However, the AHR presented evidence that, at 6:03 pm on December 12, 2013, it emailed the Department earnings statements that included Claimant's name. Because the earning statement with Claimant's name was transmitted via email on December 12, 2013, under Department policy the verification was timely received on

December 12, 2013. Therefore, the Department could not rely on failure to verify employment income to deny Claimant's MA application.

It is noted that although the Department testified at the hearing that it was concerned about a lack of payment for the August 2, 2013 check date, the printout indicates that all pay for 2013 was reflected on the earning statement at issue and includes pay period beginning July 28, 2013 to November 2, 2013.

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 Claimant's October 31, 2013 MA application with request for retroactive coverage to August 2013.

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 October 31, 2013, MA application with request for retroactive coverage to August 2013;
2. Provide Claimant with MA coverage she is eligible to receive from August 1, 2013, ongoing; and
3. Notify Claimant and the AHR in writing of its decision.


Alice C. Elkin
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: May 12, 2014

Date Mailed: May 12, 2014

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

ACE/tlf

cc:

