

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 2014-7608  
Issue No(s): 2002  
Case No.: [REDACTED]  
Hearing Date: December 19, 2013  
County: Washtenaw

**ADMINISTRATIVE LAW JUDGE:** Vicki L. Armstrong

**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 19, 2013, from Lansing, Michigan. Participants on behalf of Claimant included Language Line interpreter and [REDACTED]. Participants on behalf of the Department of Human Services (Department) included Assistant Attorney General [REDACTED], Family Independence Manager Candace Baker and Eligibility Specialist [REDACTED].

**ISSUE**

Did the Department properly deny 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 September 20, 2013, Claimant applied online for Family Independence Program (FIP), Food Assistance Program (FAP) and Medical Assistance (MA).
2. On September 23, 2013, the Department attempted to contact Claimant. The telephone was answered and hung up. The Department then mailed Claimant an Appointment Notice for an in-person interview for Claimant and his wife for 9/30/13 at 8:45AM. (Dept Ex 1, p 1).
3. On September 25, 2013, the Department mailed Claimant a Verification Checklist with a due date of 10/7/13. (Dept Ex 1, pp 2-3).
4. On September 30, 2013, Claimant and his wife failed to show for the in-person interview. A Notice of Missed Interview was mailed to Claimant informing him that he had to reschedule the interview before 10/20/13 or his application for FAP would be denied. The Department also mailed Claimant a Notice of Case Action

informing Claimant his application for FIP had been denied for failing to verify the requested information. Claimant's wife and children were approved for MA. (Dept Ex 1, pp 8-11).

5. On October 3, 2013, Claimant and his wife attended an in-person interview at the Washtenaw County office. The Department used the Language Link as the interpreter during the interview. On October 3, 2013, the Department mailed Claimant a Notice of Case Action closing MA for Claimant effective 11/1/13 because the group's countable income exceeded the limit for the program. MA was approved for Claimant's wife and children effective 11/1/13. FAP was also approved effective 9/20/13 for \$ [REDACTED] and beginning 10/1/13 at \$ [REDACTED] per month. A Verification Checklist was also mailed to Claimant with a due date of 10/14/13. (Dept Ex 1, pp 12-17).
6. On October 15, 2013, Claimant submitted a Request for a Hearing.
7. On October 21, 2013, the Department mailed Claimant a Notice of Case Action denying his application for MA and FAP for failing to turn in verification of unearned income. (Dept Ex 1, pp 18-20).

### **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).

As a preliminary matter, Claimant submitted a Request for a Hearing on 10/15/13. Therefore, the Notice of Case Action dated 10/21/13 is not applicable to this hearing because those actions had not taken effect at the time of the hearing request. Therefore, at the time of the hearing request, Claimant had been denied MA, but had been approved for FAP, and a decision regarding FIP had not been made. Therefore, the only negative action to be decided is whether the Department had properly denied Claimant Medicaid at the time of his hearing request.

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.

According to the Notice of Case Action dated 10/3/13, Claimant's application for Medicaid had been denied because his group's countable income exceeded the limit for the program. Claimant's wife and children had been approved for Medicaid. The dispute centers on whether the monies given to Claimant from [REDACTED] was countable or uncountable unearned income.

First, Claimant's application and subsequent budgets were not submitted in the hearing packet. Therefore, this Administrative Law Judge is at a loss as to what monies were counted as countable income.

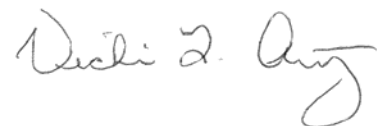
As a result, this Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it denied Claimant Medicaid (see Notice of Case Action, 10/3/13 pp 12-14).

### **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 MA eligibility as of 10/3/13, showing what income was counted and what specific policy was relied on in finding the income was "countable" as opposed to "uncountable."
2. After the redetermination, issue an updated Notice of Case Action showing the decision reached as to Claimant's (not his wife's or children's) MA determination and which policy was used in reaching that decision.



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Vicki L. Armstrong  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: January 3, 2014

Date Mailed: January 6, 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

VLA/las

cc:

