

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 14-016417  
Issue No.: MEDICAID - ELIGIBILITY  
Case No.: [REDACTED]  
Hearing Date: February 11, 2015  
County: JACKSON

**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 three way telephone hearing was held on February 11, 2015, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED], Authorized Hearing Representative. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Assistance Payments Supervisor.

**ISSUE**

Did the Department properly deny Claimant's Medical Assistance (MA) application based on a failure to comply with verification requirements?

**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 April 29, 2014, Claimant applied for MA.
2. On May 17, 2014, a Verification Checklist was issued with a May 27, 2014 due date, in part requesting bank statements dated back to January 2014 for a checking and savings at [REDACTED] and a savings at [REDACTED] specifying that if Claimant no longer has any of these accounts a statement from the bank that the account(s) have closed would be needed.
3. On May 27, 2014, some of the requested verifications were submitted and an extension was requested because the AHR was attempting to obtain verification of the closure of the Comerica bank account.
4. On June 5, 2014, some of the requested verifications were submitted, a second extension was requested, and the AHR explained the ongoing efforts to obtain verification of the closure of the [REDACTED] bank account.

5. On June 13, 2014, the AHR submitted documentation from [REDACTED] bank and indicated they believed the checklist was completed, however, if any additional information was needed, the AHR requested to be contacted and extension granted, or if unable to grant an extension for the Department to assist or to use the best available information to make a determination.
6. The Department did not consider the document from [REDACTED] bank stating no record of accounts to be sufficient verification because there was nothing on the document identifying Claimant, such as her name or account number.
7. On September 6, 2014, a Health Care Coverage Determination Notice was issued stating MA was denied because the Department did not receive verification for the Comerica account.

### **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, 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, 4-1-2014, p. 6.

In general, 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, 7-1-2014, pp. 1-3.

Specifically, for MA, the Department must allow the client 10 calendar days (or other time limit specified in policy) to provide the verification requested. If the client cannot provide the verification despite a reasonable effort, the Department can extend the time limit up to two times. The Department is to send a case action notice when the client

indicates refusal to provide a verification, or the time period given has elapsed. BAM 130, p. 7.

In this case, the Department denied the MA application because sufficient verification was not provided to establish that Claimant's prior Comerica bank account closed.

On June 13, 2014, two Account Verification Request Additional Information Required forms from Comerica were submitted and marked "no record of accounts" and "no open accounts found". (Department Exhibit A pp. 12-13) The Department asserted this documentation was insufficient verification because there was nothing on the forms identifying Claimant, such as her name or account number. While there was May 27, 2014, fax transmission information near the top of one of the Account Verification Request Additional Information Required forms and an included May 21, 2014, letter from the AHR to Comerica requesting verification for Claimant, the transmission information indicates these were only 2 of 7 pages included in the May 27, 2014, fax transmission. (Department Exhibit A pp. 11-12) The other 5 pages of this 7 page fax were not submitted. The Department noted that the AHR has many clients. The Department asserted that there was no way to tell that the submitted Account Verification Request Additional Information Required forms from Comerica bank were specifically for Claimant. Similarly, there was June 6, 2014, fax transmission information near the top of the other Account Verification Request Additional Information Required form again indicating it was part of a 7 page transmission, but no other pages from the June 6, 2014, fax transmission were submitted to the Department to establish what individual or account number(s) Comerica was providing verification for. (Department Exhibit A, p. 13) The Department only received a total of four pages from the AHR on June 13, 2014, the fax coversheet indicating they believed the checklist was complete, two Account Verification Request Additional Information Required forms from Comerica, and the May 21, 2014, letter from the AHR to Comerica requesting verification for Claimant. (Department Exhibit A, pp. 11-13 and 16; Claimant Exhibit 1, pp. 51-55).

The AHR noted that no account with Comerica was listed on the MA application and questioned why the Department was asking for Comerica bank verification. The Department testified that for prior applications/benefit cases through 2012, Claimant reported and verified a bank account she had at Comerica bank.

During the hearing proceedings, the AHR requested an opportunity to provide additional documentation regarding the fax exchange with Comerica bank. As discussed, this request could not be granted for several reasons. In part, the proposed additional documentation was not available to the Department when the case action was taken and there had not been any opportunity for the Department to review the proposed additional exhibits.

Claimant's AHR asserted that the Department should have used the submitted documentation from Comerica as the best available information when making the eligibility determination for this case.

Overall, the evidence supports the Department's action based on the information available when this determination was made. Claimant previously provided verification to the Department of a [REDACTED] bank account as recently as 2012. The Department issued the May 17, 2014, a Verification Checklist with a May 27, 2014 due date. In part, the Department specifically requested bank statements dated back to January 2014 for a checking and savings at Flagstar and a savings at [REDACTED]. On the Verification Checklist, the Department even specified that if Claimant no longer has any of these accounts a statement from the bank that the account(s) have closed would be needed. The Department also granted two extensions of the due date when requested by the AHR. The policy in effect at the time of this case action only allowed for up to two extensions of the due date. After the two extensions, the time period allowed elapsed and Claimant had not provided sufficient verification from [REDACTED] bank to establish that her account with this bank closed. The submitted Account Verification Request Additional Information Required forms did not in any way identify Claimant as the individual for whom there was no record of accounts/no open accounts found. The only other pages sent to the Department when the verification checklist was completed on June 13, 2014, also were not sufficient to establish that this verification was specifically for Claimant. Therefore, these forms could not be utilized as the best available information because they did not clearly establish that this documentation from Comerica related to Claimant.

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 acted in accordance with Department policy when it denied Claimant's MA application based on a failure to comply with verification requirements.

### **DECISION AND ORDER**

Accordingly, the Department's decision is **AFFIRMED**.



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Colleen Lack  
Administrative Law Judge  
for Nick Lyon, Interim Director  
Department of Human Services

Date Signed: **3/5/2015**

Date Mailed: **3/5/2015**

CL/hj

**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:

