

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

**IN THE MATTER OF:**



MAHS Reg. No.: 15-015538  
Issue No.: 2002  
Agency Case No.: [REDACTED]  
Hearing Date: October 21, 2015  
County: WAYNE-DISTRICT 17

**ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris**

**HEARING DECISION**

Following Petitioner'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; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on October 21, 2015, from Detroit, Michigan. The Petitioner was represented by the Petitioner's Authorized Hearing Representative (AHR), [REDACTED]. The Petitioner did not appear. The Department was represented by [REDACTED] FIM.

**ISSUE**

Did the Department properly deny the Petitioner's application for Medical Assistance (MA) for failure to verify savings account information?

**FINDINGS OF FACT**

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. The Petitioner has a representative payee, Personal Accounting Services, whose address was listed on the Petitioner's application for MA. The representative payee filed on the Petitioner's behalf with the application for MA a copy of Petitioner's checking account bank statement.
2. The Department issued a verification checklist (VCL) on [REDACTED], requesting that a copy of Petitioner's savings account statement be provided. The VCL was mailed to the representative payee at the address listed on the application. The VCL was due on [REDACTED] with a due date of [REDACTED].  
[REDACTED] Exhibit 1
3. The Petitioner's representative payee did not provide a copy of the savings account requested or indicate whether a savings account existed, instead a

checking account statement, which was previously provided, was sent after the VCL due date. The representative payee moved its business to a new address and did not advise the Department of the change of address.

4. The Department issued a Health Care Coverage Determination Notice on [REDACTED], denying the Petitioner's MA application for failure to verify the requested information.
5. The Petitioner's Authorized Hearing Representative requested a hearing on [REDACTED] protesting the Department's action.

### **CONCLUSIONS OF LAW**

Department policies are contained in the Department of Health and Human Services Bridges Administrative Manual (BAM), Department of Health and Human Services Bridges Eligibility Manual (BEM), Department of Health and Human Services Reference Tables Manual (RFT), and Department of Health and 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 Department of Human Services) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

In this case, the Petitioner is a mentally impaired individual who required the assignment of a representative payee, who was appointed to handle Petitioner's funds received from Social Security. The Department sent a VCL to the representative payee requesting that it provide information regarding whether the Petitioner had a savings account. Exhibit 1. The Department never received a correct response to its savings account inquiry, but instead received as a late response from the Petitioner's representative payee, duplicate information regarding the Petitioner's checking account only. The Department is entitled to make its eligibility determination based upon the available information it receives. Based upon the information it received, the Department was warranted in denying the Petitioner's MA application. The Department, as part of its responsibility to determine eligibility, must determine assets of the applicant. In this instance, the Department was unable to do so due to never receiving a response to the VCL. BAM 130 (July 1, 2015). BEM 400, (July 1, 2015).

Department policy provides:

Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements.

Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. BAM 130, p.1

### **Medicaid**

Allow the client 10 calendar days (or other time limit specified in policy) to provide the verification requested. Refer to policy in this item for citizenship verifications. If the client cannot provide the verification despite a reasonable effort, extend the time limit up to two times.

Verifications are considered to be timely if received by the date they are due. For electronically transmitted verifications (fax, email or MI Bridges document upload), the date of the transmission is the receipt date.

Send a case action notice when:

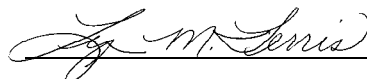
- The client indicates refusal to provide a verification, **or**
- The time period given has elapsed. BAM 130 p. 7-8

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 Petitioner's MA application for failure to verify savings account information.

### **DECISION AND ORDER**

Accordingly, the Department's decision is

**AFFIRMED.**



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**Lynn M. Ferris**  
Administrative Law Judge  
for Nick Lyon, Director  
Department of Health and Human Services

Date Signed: **10/26/2015**  
Date Mailed: **10/26/2015**

LMF / hw

**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 copy of the claim or application for appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Hearing Decision from 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:

