

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

IN THE MATTER OF:

[REDACTED]

MAHS Reg. No.: 15-018572
Issue No.: 2002
Agency Case No.: [REDACTED]
Hearing Date: December 09, 2015
County: Wayne (17) Greenfield/Joy

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 three-way telephone hearing was held on December 9, 2015, from Detroit, Michigan. The Petitioner was represented by [REDACTED], the Petitioner's Authorized Hearing Representative (AHR). The Petitioner did not appear. The Department of Health and Human Services (Department) was represented by [REDACTED], Hearing Facilitator; and [REDACTED] Hearing Facilitator.

ISSUE

Did the Department properly the Petitioner's application for Medical Assistance (MA) due to failure to verify bank 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's AHR submitted an application for MA on October 31, 2013, and a Retro MA application for July, August and September 2013 on behalf of the Petitioner.
2. The Department issued a Verification of Assets issued to [REDACTED] on March 18, 2015, which was not sent to the Petitioner's AHR.
3. The Department issued a request for Verification of Assets on April 17, 2015. The Verification requested bank account information. The Verification of Assets was received by the AHR. The Verification of Assets with a separate verification

for each of the four months, July 2013 through October 2013, requested bank account information for the Petitioner for July 2013 through October 2013 regarding [REDACTED] accounts. Exhibit 6.

4. On May 7, 2015, the Petitioner's AHR provided a response to the request for [REDACTED] account information. No extension by the Department was granted beyond April 27, 2015. The Verifications were sent to the bank via fax on April 21, 2015, by the AHR. Marked Exhibit 6 found in Exhibit 1.
5. The bank, in response to the Verification of Assets dated April 17, 2015, indicated on a one-page [REDACTED] form that "No checking or savings account available."
6. On April 30, 2015, the Department issued a Health Care Coverage Determination Notice finding the Petitioner eligible for the period October 1, 2014, ongoing. For the period July 1, 2013, through September 30, 2013, (retro period) and October 2013, the Department found the Petitioner **not eligible** because the verification of bank account information was not returned. The AHR did not receive the Notice. Marked Exhibit 4 found in Exhibit 1.
7. On June 10, 2015, the Petitioner's AHR sent an email to the Department caseworker regarding Petitioner's eligibility, which stated "We received a Verification Checklist requesting bank account information from [REDACTED] and we submitted proof that Tiffany did not have a bank account at [REDACTED] Petitioner Exhibit A.
8. The Department responded to the email referenced in Paragraph 6 above on June 10, 2015, stating "Proper asset verification was not submitted verifying that client no longer has a checking account with [REDACTED]. The Department sent a DHS 20 Verification of Assets on March 18, 2015 for the bank to complete and state that the account is no longer active. That form was submitted incomplete April 17, 2015." Petitioner Exhibit A.
9. The Petitioner's AHR submitted a Hearing request on September 16, 2015, protesting the Department's actions.

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 Department on April 30, 2015, denied the Petitioner's October 31, 2013, MA application and Retro MA application for failure to return verification of bank account information. The Department issued a Health Care Coverage Determination Notice on April 30, 2015. The Department provided no evidence that it provided the Health Care Coverage Determination Notice to the Petitioner's AHR. The AHR sent the Department caseworker an email on June 10, 2015, requesting information regarding MA eligibility for July 2013 and further advising that the AHR had returned the verifications requested by the Department. Thereafter, the Department advised the AHR in an email dated June 10, 2015, in response to an email inquiry by the AHR regarding the case status as follows: "Proper asset verification was not submitted verifying that client no longer has a checking account with [REDACTED]. The Department sent a DHS 20 Verification of Assets on March 18, 2015 for the bank to complete and state that the account is no longer active. That form was submitted incomplete April 17, 2015."

BAM 600 provides:

All Programs

All clients have the right to request a hearing. The following people have authority to exercise this right by signing a hearing request:

- An adult member of the eligible group; **or**
 - The client's authorized hearing representative (AHR).
- Requests for a hearing must be made in writing and signed by one of the persons listed above. The request must bear a signature. BAM 600 (October 1, 2015) p. 2.

The application forms and each written notice of case action must inform clients of their right to a hearing. These include an explanation of how and where to file a hearing request, and the right to be assisted by and represented by anyone the client chooses.

The client must receive a written notice of all case actions affecting eligibility or amount of benefits. When a case action is completed it must specify:

- The action being taken by the department.
- The reason(s) for the action.

- The **specific manual item(s)** that cites the legal base for an action, or the regulation, or law itself; see Bridges Administrative Manual (BAM) 220. BAM 600 p.1.

In order for the right to request a hearing to be exercised, the Department must provide written notice of all case actions affecting eligibility and specify its actions and reasons. The Notice in this case was not issued to the AHR. During the hearing, the AHR testified that the reprocessing of the application had been ordered by a prior hearing decision; and thus, the Department had notice that an AHR was involved and did not provide the required Notice dated April 30, 2015, to the AHR regarding the Department's denial of the October 2013 MA application and Retro MA application.

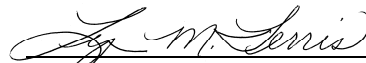
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department did not act in accordance with Department policy when it failed to provide the April 30, 2015, Health Care Coverage Determination Notice to the Petitioner's AHR.

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. The Department shall re-register and re-process the Petitioner's October 31, 2013, MA application and Retro MA application.
2. The Department shall process the applications based upon its failure to provide the Petitioner's AHR the April 30, 2015, Health care Coverage Determination Notice.
3. The Department SHALL PROVIDE WRITTEN NOTICE TO ADVOMAS the Petitioner's AHR of its determination and any other communications sent to the Petitioner regarding the October 31, 2013, MA application and Retro MA application.



Lynn M. Ferris

Administrative Law Judge
for Nick Lyon, Director

Department of Health and Human Services

Date Mailed: **1/7/2016**

LMF/jaf

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:

