



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM  
Christopher Seppanen  
Executive Director

SHELLY EDGERTON  
DIRECTOR

[REDACTED]  
[REDACTED]  
[REDACTED]

Date Mailed: June 3, 2016  
MAHS Docket No.: 16-003983  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Zainab A. Baydoun**

### **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 May 9, 2016, from Detroit, Michigan. The Petitioner appeared for the hearing and represented herself. The Department of Health and Human Services (Department) was represented by [REDACTED], Hearings Facilitator.

### **ISSUE**

Did the Department properly deny Petitioner's application for Medical Assistance (MA) benefits?

### **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 December 11, 2015, Petitioner submitted an application for MA benefits.
2. On December 11, 2015, the Department sent Petitioner a Verification Checklist (VCL) instructing her to provide proof of the last 30 days of earned and unearned income to the Department by December 21, 2015. (Exhibit A)
3. Petitioner timely submitted three check stubs to the Department on December 17, 2015, for pay dates August 7, 2015, August 14, 2015, and December 4, 2015. (Exhibit B)

4. On December 30, 2015, the Department sent Petitioner a Health Care Coverage Determination Notice advising her that the MA application was denied and that she was ineligible for MA for the period of December 1, 2015, ongoing, on the basis that she failed to give proof of information requested in the VCL. (Exhibit C)
5. On March 22, 2016, Petitioner requested a hearing disputing 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.

Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130 (July 2015), p.1. To request verification of information, the Department sends a verification checklist (VCL) which tells the client what verification is required, how to obtain it, and the due date. BAM 130, p. 3. Although the client must obtain the required verification, the Department must assist if a client needs and requests help. If neither the client nor the Department can obtain the verification despite a reasonable effort, the Department is to use the best available information; and if no evidence is available, the Department is to use its best judgment. BAM 130, p. 3.

With respect to MA cases, clients are given 10 calendar days to provide the verifications requested by the Department. BAM 130, pp.7-8. If the client cannot provide the verification despite a reasonable effort, the Department is to extend the time limit to submit the verifications up to two times. BAM 130, p. 7-8. Extensions may be granted when the client or authorized representative make a request, when the need for the extension and the reasonable efforts taken to obtain the verifications are documented, and every effort by the Department was made to assist the client in obtaining the verifications. BAM 130, p. 7. Verifications are considered to be timely if received by the date they are due. BAM 130, p.7-8. The Department will send a negative action notice

when the client indicates refusal to provide a verification, or the time period given has elapsed. BAM 130, p. 8.

In this case, the Department testified that Petitioner was denied MA benefits because she did not submit verification of the last 30 consecutive days of income received. The Department stated that Petitioner timely submitted three paystubs for pay dates of August 7, 2015, August 14, 2015, and December 4, 2015; however, because they did not consist of the pay information for the last 30 days prior to the application date, she failed to comply with the VCL.

At the hearing, Petitioner testified that she is a graduate student and that she works irregularly at her uncle's business. Petitioner stated that she worked only a few weeks in August 2015, did not work in November 2015, and that she worked a few weeks in December 2015. Petitioner asserted that she provided the Department with all of the paystubs that she had at the time that the proofs requested in the VCL were due. The Department stated that Petitioner did not report the irregular job information on the application; however, Petitioner established that she made a reasonable effort to comply with the VCL and to provide the Department with all paystubs that were available to her.

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 Petitioner's MA application on the basis that she failed to verify her income, as Petitioner submitted her proof of income to the Department by the due date.

### **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. Register and process Petitioner's December 11, 2015, MA application to determine her eligibility for MA under the most beneficial category;
2. Provide Petitioner with any MA coverage that she was entitled to receive but did not from December 1, 2015, ongoing; and
3. Notify Petitioner in writing of its decision.



ZB/tlf

---

**Zainab A. Baydoun**

Administrative Law Judge

for Nick Lyon, Director

Department of Health and Human Services

**NOTICE OF APPEAL:** A party may appeal this Order in circuit court within 30 days of the receipt date. A copy of the circuit court appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Order if the request is received by MAHS within 30 days of the date the Order was issued. The party requesting a rehearing or reconsideration must provide the specific reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MAHS. If submitted by fax, the written request must be faxed to (517) 335-6088; 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

[REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]