



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

[REDACTED]

Date Mailed: May 17, 2016  
MAHS Docket No.: 16-004689  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**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 [REDACTED], [REDACTED] from Detroit, Michigan. The Petitioner was represented by himself. The Department of Health and Human Services (Department) was represented by [REDACTED] [REDACTED] Hearing Facilitator.

### **ISSUE**

Did the Department properly deny the Petitioner's application for Medical Assistance (MA) for failure to provide timely verification of income?

### **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 applied for MA on [REDACTED].
2. The Department sent the Petitioner a Verification Checklist (VCL) dated [REDACTED], requesting earned income proof for the last 30 days of employment. The proofs were due on [REDACTED], and were not received by the due date. Exhibit 1.
3. One paystub was received by the Department on [REDACTED].

4. The Department sent a Health Care Determination Notice dated [REDACTED], denying the Petitioner's MA application for failure to return the requested verifications advising him to reapply if he was still in need of MA. Exhibit 3.
5. The Petitioner requested a timely hearing on [REDACTED], 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 denied the Petitioner's December 17, 2016, application for MA for failure to provide verification of income by the due date. A VCL was sent to the Petitioner seeking to verify income and was dated December 21, 2015. The verification information was due to be returned January 4, 2016. The Petitioner returned only one paystub, which was not received until January 7, 2016, after the due date.

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

Obtain verification when:

- Required by policy. Bridges Eligibility Manual (BEM) items and MAGI policy specify which factors and under what circumstances verification is required.
- Verification is usually required at application/redetermination **and** for a reported change affecting eligibility or benefit level. BAM 130 (January 1, 2016), p. 1.

The Department sought to determine the Petitioner's income so that eligibility for MA could be determined. Medical assistance is based at least in part on income eligibility; and thus, the Department correctly sought verification of Petitioner's income. To that end, the Department sent Petitioner a VCL.

The VCL advised the Petitioner in pertinent part to “please return a copy of at least one of the requested proofs for each verification and person listed below. ...We need proof of all your earned and unearned income. Provide proof of the last 30 days for employment, unemployment, Social Security benefits, pension, etc. ...Examples of proof include copies of check stubs, self-employment records or a statement from your source of income.”

Based upon the plain language of the verification, the Department clearly sought the last 30 days of income from employment. The Petitioner testified at the hearing that he was confused as to what the Department was seeking; however, the verification on its face was clear with respect to seeking verification of proof of income. In addition, even though late, the Petitioner did provide one paystub. Notwithstanding, the Petitioner testified that he requested assistance from his caseworker and did not receive any return phone call or assistance. The Department’s caseworker provided information to the Hearing Facilitator that she did not receive any inquiries from the Petitioner prior to the verifications being submitted. Department policy requires:

Send a case action notice when:

- The client indicates refusal to provide a verification, **or**
- The time period given has elapsed.

Only **adequate** notice is required for an application denial. BAM130, p. 8.

Department policy as regards medical assistance verification provides:

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.

At application, redetermination, ex parte review, or other change, explain to the client/authorized representative the availability of your assistance in obtaining needed information. Extension may be granted when the following exists:

- The customer/authorized representative need to make the request. An extension should not automatically be given.
- The need for the extension and the reasonable efforts taken to obtain the verifications are documented.
- Every effort by the Department was made to assist the client in obtaining verifications.

**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. BAM 130, p. 7-8.

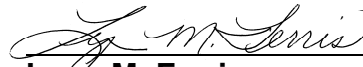
The Department is required to verify earned income at application as part of the process of determining eligibility for MA. Failure to provide by the due date information requested by the Department through a Verification Checklist (VCL) will result in denial of the application. The Petitioner may reapply for MA at any time.

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 the Petitioner's application for MA for failure to provide verification of income by the due date.

### **DECISION AND ORDER**

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

LMF/jaf



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**Lynn M. Ferris**  
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

**DHHS**

[REDACTED]

**Petitioner**

[REDACTED]

**cc:**

[REDACTED]