



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 13, 2017  
MAHS Docket No.: 17-004265  
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], from Detroit, Michigan. The Petitioner was represented by her Authorized Hearing Representative (AHR), [REDACTED]. The Department of Health and Human Services (Department) was represented by [REDACTED], Assistance Payments Supervisor, and [REDACTED], Assistance Payments Worker.

### **ISSUE**

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

### **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 was a long term care patient and submitted an application for LTC MA on [REDACTED], and was required to complete an Initial Asset Assessment. Exhibit 2. At the time of the application, the Petitioner was married but separated from her spouse.
2. The Department sent the Petitioner AHR a verification checklist (VCL) on [REDACTED], with a due date of [REDACTED]; and an extension was granted making the new due date [REDACTED]. Exhibit 3.

3. The VCL requested information for both the Petitioner and her spouse as they were still legally married. Exhibit 3.
4. The Department issued an Application Notice on [REDACTED], denying the Petitioner's MA application due to failure to provide the verification information. Exhibit 4.
5. The requested documents were provided on [REDACTED] [REDACTED] [REDACTED], after the application was denied and after the VCL extended due date of [REDACTED].
6. The Department denied the application on [REDACTED], due to failure to provide a [REDACTED] account balance as of [REDACTED], and current cash surrender value of a life insurance policy.
7. The Petitioner's AHR requested 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 application for MA due to failure to provide requested verifications by the due date. The Petitioner at the time of the hearing was married, but separated from her husband. Because the Petitioner was still legally married to her spouse, they were considered part of the same MA group; and thus, the Petitioner's spouse's assets and income were required to be provided so the Department could determine Petitioner's eligibility for MA.

BAM 130 is the Department policy that governs verifications. In this case, the VCL requested information for both the Petitioner and her spouse.

Unless the SPECIAL EXCEPTION POLICY in this item applies, an initial asset assessment is needed to determine how much of a couple's assets are protected for the community spouse. BEM 402, (January 1, 2017), p. 1.

An initial asset assessment is needed to determine how much of a couple's assets are protected for the community spouse. BEM 402, p. 7.

The Petitioner's AHR conceded that she did not provide the information on time. The Petitioner's husband did not refuse to provide the information. The VCL request, although lengthy, was clear and concise.

Unfortunately, the Petitioner did not provide the information by the due date. When the information was completed, the information was complete; however, the case was closed. Department policy provides:

Verifications are considered to be timely if received by the date they are due. Send a case action notice when:

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

BAM 130, (January 2017), p. 9.

Based upon the evidence presented at the hearing, it is determined that the Department properly denied the Petitioner's [REDACTED], MA application for failure to timely provide verification as required by the VCL. The Petitioner has since reapplied for MA and any issues with respect to the new application, and retroactive coverage cannot be determined by this hearing request as the Petitioner's hearing request was made regarding the application which was denied dated [REDACTED].

### **DECISION AND ORDER**

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 verifications.

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

LMF/jaf



---

**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

**Authorized Hearing Representative**

[REDACTED]  
[REDACTED]  
[REDACTED]

**Petitioner**

[REDACTED]  
[REDACTED]  
[REDACTED]

**DHHS**

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