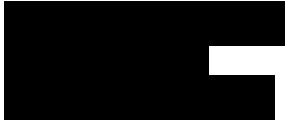




RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM

SHELLY EDGERTON  
DIRECTOR



Date Mailed: January 12, 2018  
MAHS Docket No.: 17-015562  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Amanda M. T. Marler**

**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; 42 CFR 438.400 to 438.424; 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 January 10, 2018 from Detroit, Michigan. The Petitioner was self-represented. The Department of Health and Human Services (Department) was represented by [REDACTED], Hearing Facilitator, and [REDACTED], Eligibility Specialist.

**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. Petitioner co-owns a small farm and is paid his income as a portion of the business's overall income.
2. On July 25, 2017, Petitioner submitted an online MA application.
3. On July 25, 2017, the Department mailed a Verification Checklist (VCL) to Petitioner at his home requesting proofs of his income including self-employment/expense records for the last year by August 4, 2017.
4. From July 31, 2017 through August 4, 2017, Petitioner was hospitalized.

5. On August 25, 2017, the Department issued a Health Care Coverage Determination Notice (HCCDN) indicating that Petitioner was not eligible for MA benefits because he failed to return verification of his income to the Department as requested.
6. On November 20, 2017, Petitioner submitted a new online application for MA benefits.
7. On November 21, 2017, the Department mailed a new VCL to Petitioner's home requesting proof of income and self-employment/expense records for the last year by December 1, 2017.
8. On November 27, 2017, Petitioner submitted a hearing request disputing his denial of MA benefits.

### **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 Petitioner's MA application because the Department did not receive the requested verifications of income. Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130 (April 2017), p.1. Reported self-employment income must be verified to determine MA eligibility. BEM 502 (July 2017), p. 7. 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, pp. 3-4.

For MA cases, clients are given 10 calendar days to provide the verifications requested by the Department and a client can request an extension of time to submit verification up to two extensions. BAM 130, p. 8. Verifications are considered to be timely if

received by the date they are due. BAM 130, p. 8. The Department will send a case action notice when the client indicates refusal to provide a verification, or the time period given has elapsed. BAM 130, pp. 8.

Petitioner admits to receiving the VCL and explained that he had been trying to gather the necessary documentation, but due to his hospitalization and the complicated nature of gathering information from his co-owned business, he did not provide the information by the due date. He further admits that he did not ask for assistance from the Department until sometime around Thanksgiving.

Since the Petitioner did not provide the requested verifications to the Department by the due date, did not ask for assistance, and did not ask that the due date be extended, the Department acted in accordance with policy by denying his MA application. BAM 130, p. 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.

#### **DECISION AND ORDER**

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

AM/kl



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**Amanda M. T. Marler**  
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

**Via email**



**Petitioner via USPS**

